The Effect of Time-Shift Technology on Late Newscasts in the Top Four Markets

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Table of contents

List of Tables

List of Figures

Abstract

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The late local news is watched by millions of people across the country and generates significant revenue for local stations, but new technologies have changed the way people consume television. The purpose of this study is to analyze the effect of time-shift technology on the ratings of local stations in the top four markets. The researcher studied the quality of broadcast prime-time programming as well as the ratings of network prime-time and the late local news in the top four markets to determine how time-shift technology changed television consumption patterns. The data analyzed showed that despite constant television usage, the ratings of broadcast prime-time and its lead-out, the late local news, declined over the last 20 years while the quality of network prime-time was not to the standard of previous decades. Therefore, time-shift technology and quality appeared to change the viewing habits of the audience subsequently having a detrimental effect on the ratings for networks and stations.

Chapter One: Introduction

The media industry has undergone a technological revolution over the last decade and will continue to evolve as the infrastructure improves. Already the idea of "appointment viewing" to some is a becoming a thing of the past. Consumers no longer sit on their couch and wait for their favorite programs to start on television. Rather, they view their content when and where they want on various electronic platforms. This has been made possible by technologies such as the DVR, iTunes and Netflix.

> Since ABC made a deal to put its shows on iTunes in 2005, the number of ways viewers can watch has exploded. While the vast majority of viewers still watch their shows on television, ABC said it has streamed 300 million episodes of its shows on ABC.com since September 2006. Streams are up 147% this year through March. Shows also are available via VOD, Xbox and mobile services (Lafayette, 2008, para. 11).

This new technology has caused a lot of headaches for television executives and advertisers. Television has always been a business and the goal of any business is to maximize profit. Profit is a function of revenue and expenses, which will not be covered in this thesis. Networks and stations generate revenue by selling advertising time during their programs, programs with the largest audiences will appeal to advertisers and therefore generate the most revenue. However, new technology has disrupted this

model and the audience for programs has slowly diminished over the last couple of decades resulting in lower advertising rates and hence a loss of revenue.

The main revenue source for local stations is their newscasts as “the local stations could sell and retain all the revenue from advertising during their local segments” (“The Information Needs…”, 2011, p. 72). A local newscast tends to cover local events in the designated market area (DMA) however, “late local newscasts tend to cover more national and international news than early evening newscasts” (Potter, Matsa and Mitchell, 2012a, para. 4). The late local newscast is the bulletin that follows prime-time and has the highest advertising rates. Local newscasts were produced to meet the requirements of federal law:

> To ensure local presences in television broadcasting, federal law restricts the amount of network programming local stations can run. Until the 1970s and '80s, local stations supplemented network programming with a good deal of their own produced shows. Today, however, many stations produce only local news shows. They fill the rest of their schedule with syndicated shows, or material produced independently and sold to individual stations in each local market (American TV, 2011, para. 3)

The late local newscasts follow prime-time, the most important daypart in television in terms of programming and advertising dollars. Generally, prime-time for ABC, CBS and NBC is defined as 8 p.m. – 11 p.m. Monday to Saturday and 7 p.m. – 11 p.m. on Sunday. Prime-time for FOX is 8 p.m. – 10 p.m. Monday to Saturday and

7 p.m. – 10 p.m. on Sunday. The Networks ABC, CBS, FOX and NBC all program prime-time and control the majority of the inventory during this time (Eastman & Ferguson, 2009, p. 128). The last hour of prime-time is usually the most important for local stations as it leads into their late newscasts, giving their newscasts a lead-out audience. Lately, the ratings for the last hour of prime-time, the 10 p.m. hour, have declined dramatically compared to the earlier hours of prime-time. If the late newscasts rely on their lead-ins, then the ratings for newscasts will decline in proportion with the 10 p.m. hour.

Statement of the Problem

A television station newscast exists to inform the viewing audience of events that happen locally, nationally and internationally. Newscasts are also significant revenue sources for local stations as stations control and sell the entire available inventory during a newscast. However, the television landscape has undergone many changes over the last two decades. The emergence of new technologies and broadcasting outlets has altered the traditional methods of the television industry.

The emergence of these technologies has resulted in many options for the audience, subsequently local stations have seen the ratings of their programming diminish as the penetration of these technologies steadily increase. Simple mathematics suggests that lower ratings directly correlates to lower revenue. However, it is not that simple, basic supply and demand economics is also at play, but by and large, lower rated programs generate lower revenue. New technology has disrupted the traditional

broadcast model, not only having an affect on the broadcast level but on the local level as well. This study will look at how this technology has impacted audience ratings and advertising revenue.

Advertising Revenue. Advertising is the main revenue source for stations and networks. It is directly tied to ratings and therefore it is in the interests of networks and stations to maximize ratings. The majority of advertisers prefer a subset of the viewers, i.e. specific demographics. This demand from advertisers means programmers must have knowledge of the advertising industry and program the schedule to ensure it attracts the highest ratings in desirable demographics.

Lead-In Program. In programming, lead-in is important as it gives the following program a good ratings platform. This added exposure gives the program in question the best chance to succeed. Prime-time programming is the lead-in to the late news and since we suggested news is lead-in dependent, the ratings for the 10 p.m. hour of prime-time should have a direct correlation to the ratings of the late local news.

Time-shift Technology. New media, such as online platforms and DVRs, has given consumers convenience and choice. This has had an affect on revenue as consumers have the ability to delay viewing and skip ads making some advertisements worthless due to their short shelf life. Therefore advertisers negotiate their buys using 'live' audience ratings and ignore time shifted viewing. Online platforms have fragmented the audience 'pie' as it gives the consumer more viewing options thus depressing the available audience for broadcast.

Background and Need

Television is primarily seen as a source of entertainment, but it also exists in the 'public's interest, convenience, and necessity.' The Federal Communications Commission (FCC) set forth this Act so stations "air programming that is responsive to the needs and problems of its local community of license" ("The Public…", 2008). The stations identify those needs and problems and package the local issues into the news and public affairs programs they air. Newscasts are profit centers for local stations since the stations control the entire commercial inventory. Maximizing advertising revenue is the station's main goal. To accomplish this, stations must draw the most eyeballs as viewership is correlated to advertising revenue.

Before the 1940s the audience for television was nonexistent. However, by 1952 the audience grew to 33 percent of American households. This audience growth spurted its popularity amongst advertisers, advertising spending increased from $454 million or 6% of the advertising market in 1952 to $1.6 billion or 13% in 1960. During that time, advertising existed as one-minute commercials, 15 to 30 minute length infomercial-like programs and sponsorship of shows. Nowadays, 30-second commercials are the most common. The sale of these commercials is the source of revenue for broadcast networks and stations ("The Information Needs…", 2011, p. 72).

Prime-time is the "financial jewel in the media crown," it generates billions of dollars of revenue each year for the networks (Eastman & Ferguson, 2009, p. 125). However, the shrinking audience has threatened this revenue.

> "Tough economic conditions and competition from cable networks and the Internet seem to have taken a toll on the broadcast networks' most valuable real estate: prime-time" (Myers, 2008, p. 1).

The prime-time scheduling decisions of the networks are key to a local station's strength. These decisions can make or break a local station's profitability, as the strength of the late local news is dependent on its lead-in. This study will explore the impact of network programming and ratings on local stations.

Although literature has covered the importance of local news to a station's bottom line, how news is more attractive during an election year and the reason stations continually add newscasts due to their profitability, there is little research to show the diminishing ratings of the late news is a consequence of time-shift technology and its impact on the decline in the 10 p.m. hour. This study will use secondary sources to research if there is a correlation between the ratings of the late news and the 10 p.m. hour and the effect of time-shift technology on these dayparts.

Purpose of the Study

The purpose of this study is to utilize the Nielsen syndicated ratings of the top four markets to determine the effect of time-shift technology and the importance of the 10 p.m. hour to local stations and their newscasts.

The ratings for the late local news are not only dependent on content and presenters but its lead-in as well. Since local news is the main revenue stream for local

stations there is a need to determine if the shrinking audience of the local news is correlated to the role time-shift technology has played in the decline in ratings for the 10 p.m. hour. Current literature has researched on individual markets but none has aggregated the top four markets to conclude that there is in fact a correlation. This study will use secondary sources to show the influence of time-shift technology and that a correlation between the audience of the local news and the 10 p.m. hour exists. At the conclusion, students and professionals can use the study to broaden their understanding of the importance of prime-time to local stations.

In order to determine the influence of time-shift technology and the correlation between the audience of the local news and the 10 p.m. hour, quantitative analysis of the past eighteen years of Nielsen television ratings data and critics' awards data were performed. For simplicity, only ratings data from the top four markets were used.

As a result of the study, it was expected to find that time-shift technology is responsible for the decline in audience of the 10 p.m. hour and therefore its lead-out the late local newscast. This expected result demonstrates the importance of prime-time to the local stations in maintaining the network-affiliate relationship.

Research Questions

- What impact does the lead-in program have on the delivery of the late local news?
    - What is the delivery of the late local news when it has a smaller ratings lead-in?

  - What is the delivery of the late local news when it has a larger ratings lead-in?
  - Does news ever grow from its lead-in rating?
- What is the relationship between the ratings of the 10 p.m. hour of prime-time and the late news?
- What is the relationship between the ratings of prime-time and the television viewing habits of its current consumers?
- What is the impact of time-shift technology on the ratings of prime-time and the late news?
- How significant is the quality of the 10 p.m. programs in the decline in ratings for the hour?

Significance to the Field

The main objective of this study is to show the impact of time-shift technology on the decline in ratings of the 10 p.m. hour and its flow-on effect on the ratings and revenue of the late local newscasts. This study will also look at how the quality of prime-time programming affects the ratings. This study will take a quantitative approach and analyze the ratings of different dayparts including the 10 p.m. hour and the late local news. It will also analyze the critical performance of these programs. These findings will help participants understand the importance of prime-time and its lead-in ratings to the late local news and how new technology has also played a role in the decline in ratings

for both dayparts. The late local news is a large revenue source for stations and must remain strong for stations to continue to operate.

Definitions

- **Broadcasters:** The main networks, ABC, CBS, FOX and NBC.
- **Designated Market Area (DMA):** A region where the population can receive the same television station.
- **Exclusive:** When only one station in the market broadcasts the network's programming.
- **Federal Communications Commission (FCC)**: an independent agency of the United States government that licenses stations.
- **HUT/PUT:** Households using Television or Persons using Television.
- **Inventory:** The commercial or advertising time during a program.
- **Late News:** Newscast that airs after prime-time.
- **Late Night:** A daypart defined as 11:35 p.m. to 2 a.m. EST/PST.
- **Live Ratings or Live Average Quarter Hour Ratings:** The measure of viewers who watch a program in its scheduled time period.
- **Ratings:** Nielsen television ratings that can be defined as the percentage of the total number of people or households in a population tuned to a specific station or network during a specific time period.
- **Seasonality:** The normal broadcast season is Fall to early Spring. For prime-time, viewing is at its peak when there are less daylight hours per day – early

November to early March – which the November and February books fall in. Viewing gradually decreases once daylight savings starts – early March onwards, which is represented in the May book – and declines to a low during the July book when daylight hours are longer per day.

- **Share:** The percentage of people or households that are actually using television and are tuned to a specific station or network during a specific daypart.
- **Stations:** Local TV stations.

Limitations

Similar to other studies, this study has some limitations that need to be discussed. The first limitation to address is that this study only analyzed the Emmy and Golden Globe awards data and the Nielsen ratings for ABC, CBS and NBC in New York, Los Angeles, Chicago, Dallas-Fort Worth and Philadelphia. This data was the most accessible and credible but isn't the only data available for analysis. Even though credible critics are members of the Emmy and Golden Globes panels, it is not exhaustive and nominations can be skewed and fixed for a number of reasons. A cooperative database such as Metacritic is available for analysis but it has its own controversy with its rating conversion system.

The reliability of this study could've been improved if Nielsen TV ratings for all 210 markets and all English broadcasting stations were analyzed. However, the researcher believed analyzing the top four markets would be a good representation and including the diary markets would create disparities since it is a different and archaic

method of measuring viewing. Moreover, the unavailability of the cable network ratings didn't allow this study to provide a better analysis of the changing landscape of television.

Ethical Considerations

The researcher acted to ensure scientific material was reliable and the manipulation of data and reporting of the results was accurate. Numerical data was obtained from trustworthy sources such as Nielsen Media Research, SNL Kagan, TVbytheNumbers, Variety and Broadcasting & Cable among others. The data was not modified and results were reported without omissions. Moreover, the researcher followed the APA manual and the copyright laws when quoting and paraphrasing material written by others.

Chapter Two: Literature Review

The television landscape is currently undergoing change. New technologies have made watching television content more interactive allowing consumers to pick and choose how and when they consume their content. The accessibility of the content enables users to stream the content over the internet at their convenience as well as avoid long commercial breaks. This has resulted in a decline in live viewership for broadcast prime-time, especially the 10 p.m. hour. The diminishing prime-time audience has a flow-on effect on the local station's late newscast. The sale of inventory during local news is the main revenue stream for local stations; the late local news is the 'financial jewel' for local stations, as it demands the highest ad rates. Since the late local newscasts are so dependent on a strong lead-in program, a decline in ratings for the last hour of prime-time can induce a similar fall in ratings for the late news. Lower ratings drive ad rates down and therefore news revenue falls. The objective is to prove that a decline in the 10 p.m. hour as a result of time-shift technology can upset the ratings for late newscasts in the top four markets. Many scholars have studied the factors involved in this topic and the researcher summarized their important findings.

The literature review will address areas related to 'The effect of time-shift technology on late newscasts in the top four markets.' The first section will discuss the relationship between affiliates and the networks. The second section will focus on research studies about advertising revenue. The third section will address research related to the notion of lead-in and its importance to the 10 p.m. hour and 10 p.m.'s

recent struggles. The fourth section will concentrate on local newscasts. Finally, the fifth section will examine how time-shift technology has changed the way content is consumed.

Network-Affiliate Relationship

The network-affiliate relationship originated from the cost of producing programs, the expense to create programs for large markets was already high so it would've been harder for smaller market stations. However, if the program was produced and distributed to over hundreds of affiliate stations the cost of producing that program can be spread across the affiliates. This network model in economic terms is called economies of scale. General Electric was the first to take advantage of this broadcasting business model, they sent programs to local stations via telephone lines and in return they would insert commercials during the program with the local station receiving a small inventory load (Eastman & Ferguson, 2009, pp. 192-196).

The advantages of this model to the affiliates were exclusive rights to programs and anywhere between 12 to 16 hours of programming per day from the networks (ABC, CBS, NBC or FOX). The station's programming department would be responsible for programming the rest of their schedule. This agreement is beneficial for the networks, as the advertisers' commercials will simultaneously reach the entire country in the same program. For the affiliates the drawback of this is potentially acquiring low rating programs and the disadvantages for the networks would be partnering with weak stations or stations with poor signals (Eastman & Ferguson, 2009, p. 128).

The networks and affiliates reach an arrangement by signing an affiliation agreement, which is a legal document binding the two parties. The networks pay the affiliates a negotiated fee to provide its programming services exclusively to the affiliates. Since the programs are delivered to a mass audience the networks can sell the inventory at a high rate. Generally, the network controls 75% of the inventory with the station getting the rest. This inventory can be a big revenue source for the stations due to the premium placed on prime-time programming.

> The exchange of local commercial airtime for network programming is the justification and foundation for the entire network-affiliate relationship (Eastman & Ferguson, 2009, p. 196).

For "half hour programs, the affiliate's commercials come at the end of the program; the network's commercials fall within the more desirable real estate – within the program itself" (Eastman & Ferguson, 2009, p. 196). However, for one-hour programs, local affiliates get some inventory within the program and a portion at the end, with all network commercials appearing within the program. Since inventory within the programs are more desirable, one-hour programs are more valuable to the stations (Eastman & Ferguson, 2009, p. 196).

The network-affiliate relationship is important for both parties in that they need each other:

> Each party trades what it has for what it needs: the network needs local affiliates to gain access to the market and affiliates need the economies of scale that

> enable the network to provide big budget entertainment/sports/news programming that affiliates would otherwise be unable to produce on their own (Eastman & Ferguson, 2009, p. 196).

The network-affiliate relationship involves the distribution of content and economies of scale but doesn't explain the funding of the content. The following section of this review will discuss how networks and stations generate revenue from this content.

Advertising Revenue

Commercial broadcast television networks and stations are a free service and primarily rely on television advertising for revenue. The sale of commercial time supports the production and distribution of television content consumed by the viewers. Advertisers invest heavily in broadcasters exposing their commercial messages to a set number of viewers (Lotz, 2007, pp. 550-552). Therefore, the primary goal of any commercial television network and station is "to maximize the size of an audience targeted by advertisers" (Eastman & Ferguson, 2009, p. 3).

The currency for the transaction between television networks and advertisers is CPMs (cost-per-thousand), "the cost to reach one thousand viewers of a certain demographic type." (Lotz, 2007, p. 552) Consequently, advertising revenue is proportional to program ratings, that is, the program with the highest rating will demand the highest ad rate. However, the advertising market is not as straightforward

and there are some other aspects that need to be taken into account in order to fully understand the process.

The main factor that makes a program desirable to advertisers is the demographic characteristics of a program's audience. For many years, the desirable audience has been a subject of discussion for both programmers and advertisers. Advertisers aim to target the demographic group that is most likely to purchase their products. In the 1970s, the target audience group was women 18-34 as they were "most susceptible to advertising and controlled the economy" (Eastman & Ferguson, 2009, p. 129). By the mid 2000s, the "audience most demanded by advertisers" evolved to adults 18-49, which was called the "most desirable audience" (Eastman & Ferguson, 2009, p. 129).

> At the broadcast network level, the programmers argue they know that targeting the ideal demographic group creates problems, but they have little choice because most advertisers demand this audience (Eastman & Ferguson, 2009, p. 130).

Nevertheless, there have been opposing opinions of what is the ideal demographic, MTV argues that the "ideal viewer should be under 25" while "CBS argues the ideal should be higher, 25 to 54 to be exact, and FOX argues that 18 to 34 urban men should be included."

In fact, FOX has been successful in charging more for broadcast ad spots than other networks. For instance, in 2011 FOX "boasted the highest average unit cost

($180,844), followed by CBS ($106,351), ABC ($105,885) and NBC ($74,758)" (Crupi, 2012a, para. 5). This is explained in SNL Kagan's report:

> FOX's success at charging more than the other networks for its advertising on a share-point basis correlates directly to its ratings lead in the 18-49 demo for prime-time series ("Economics of TV...", 2007, p. 41).

For example, even though programs like *Family Guy* and *The Simpsons* are not among the top ten highest rated programs, FOX can charge higher rates since both shows draw high concentrations of young men – "an audience that advertisers consider extremely elusive" (Steinberg, 2010, para. 10).

FOX's ability to charge a premium for their content is a simple application of the laws of supply and demand. Advertising is all about the ease with which advertisers can reach a viewer, the harder it is to reach them; the more advertisers are willing to pay. The relative scarcity of the younger viewers creates a supply shortage. The laws of supply and demand states an insufficient supply results in a price increase. Since FOX is able to offer advertisers the most sought after 18-49 viewers, they can charge a higher price. If other networks possess programs that successfully appeal to the key demographic, the supply of rating points would increase correcting the shortage and driving the price down. Consequently, FOX would have to lower their CPMs as advertisers would have other alternatives for reaching the same target demographic.

Another consideration in understanding television advertising is the concept of dayparts. "Programmers strive to make their programming compatible with the day's

round of what most people do" (Eastman & Ferguson, 2009, p. 13). CPMs vary across dayparts since their demographics are very distinctive. Traditionally, prime-time has the highest CPMs due to the presence of desirable demographics and higher HUT/PUT levels, which potentially results in higher average program ratings. The 22 prime-time hours according to Eastman and Ferguson (2009), "constitute the center ring for the traditional networks, the arena in which their mettle is tested" (p. 128).

The present study will focus on prime-time and late news. The significance of prime-time hours for the networks is undisputable,

> While the rating difference between prime-time and non-prime-time periods may not be as large as it once was, prime-time is still the most heavily promoted and most talked about part of any schedule (Eastman & Ferguson, 2009, p.128).

While prime-time is important to the networks, the late news daypart, which is defined as 11 p.m. to 11:35 p.m., is a key ratings and revenue daypart for local stations. Eastman and Ferguson explains,

> In recent years, with the advent of the 24-hour news cycle and cost efficiencies in news production technology, late news-programs are regarded as separate programs and are important profit centers" (Eastman & Ferguson, 2009, p. 212).

Newscasts and their relevance to local stations and their revenue will be explored in later sections of this literature review.

Advertising is the main source of revenue for broadcast networks and stations. It

is dependent on the network and station's ability to capture an audience. The price a network and station can charge for a spot depends on the program's ratings performance. However, as proven earlier, the program not only has to produce high overall ratings, but also have specific audience characteristics. Advertisers desire certain demographic groups; adults 18-49 is currently the most sought after segment where "two-thirds of all prime-time advertising money is spent on this group" (Eastman & Ferguson, 2009, p. 130). Therefore, higher rated programs in the adult 18-49 demographic are more likely to have higher ad spot prices.

This completes the review of the literature regarding advertising revenue. Next, we will examine why the 10 p.m. hour is important to the local affiliates.

10 p.m. Hour and Affiliate Relationship

Before the turn of the century, the 10 p.m. hour was an important hour for the networks and the affiliates, for the networks it brought in the largest amount of ad dollars and for the affiliates it resulted in a good lead in for their late newscasts as a "sizable portion of the 11 p.m. local news audiences usually comes from the networks that viewers are watching from 10 to 11" (Consoli, 2011, para. 5). Late local news ratings can "spike up or head downward, depending on the network lead-in" (Eastman & Ferguson, 2009, p. 212). But times have changed, as demonstrated by NBC's decision in 2009 to abandon its Monday to Friday 10 p.m. scripted programming in place of a nightly Jay Leno talk show. During this time,

Viewership for NBC affiliates' 11 p.m. news declined 15%-45% during the five

> months Leno was on the air. One NBC affiliate dropped from the most-viewed newscast in its market, to No. 2 in just five weeks (Consoli, 2011, para. 6).

Eventually, the affiliates triumphed and NBC canceled Leno and returned to scripted programming. Billie Gold, VP and director of programming at media agency Carat, argues that although NBC has spent more on its programming to improve the 10 p.m. hour, its program lineup is still “weak and is not going to help its affiliates’ 11 p.m. news that much more” (Consoli, 2011, para. 10).

Even though CBS and ABC are stronger than NBC, who is still recovering from the Leno experiment, the hour is a far cry from its hey day “before cable dramas began making inroads into the broadcast nets’ audience” (Consoli, 2011, para. 8). Brad Adgate, executive VP of research at Horizon Media points out that:

> "For 21 consecutive years beginning in 1979, the Emmy Award for best drama went to a 10 p.m. show on one of the Big Three broadcast networks. But in the past 10 years, not one 10 p.m. show on broadcast was an Emmy winner. The Golden Age of the 10 p.m. drama on the broadcast networks came to an end" (Consoli, 2011, para. 9).

Previously, the 10 p.m. hour on network TV was occupied by the networks’ highest-quality and highest-rated shows such as *L.A Law, ER, Law & Order, Hill Street Blues* and *NYPD Blue*. However, not since the 2006-07 season has a 10 p.m. drama finished among broadcast’s top 10 in the adults 18-49 demo. This was

> ...when *Lost* averaged a sturdy 6.0 rating on ABC. Today, nothing at 10 p.m. on any broadcast network comes anywhere near that number. Like the passengers on Oceanic Flight 815, the 10 p.m. broadcast viewer has vanished (Crupi, 2012b, para. 3).

The 2011-12 campaign saw seven of the eleven 10 p.m. freshman series fail to average a 2.0 rating in the demo and eight will not see a second season (Crupi, 2012b, para. 2). The three that have been renewed for the 2012-13 season are NBC's *Smash* (3.2 average adults 18-49 rating) and *Scandal* (2.5) and *Revenge* (2.9) on ABC. Despite the renewals, none could top the highest rating 10 p.m. drama, *Hawaii Five-O* (3.3), which was only good enough for tied 41st place for the season in adults 18-49. This pales in comparison to NBC's *ER,* which topped the adults 18-49 list with a 12.0 rating during the 1999-2000 campaign (Crupi, 2012c, para. 10).

In terms of total viewership, the numbers aren't so bleak with 10 p.m. drama series among the most watched. CBS's veteran drama *The Mentalist* averaged 14.6 million to rank 11th but could only manage 3.1 in the demo for 45th place in the demo. Similarly most 10 p.m. dramas skew old,

> The median age of *The Mentalist*'s audience is 59 years old. In fact, most of the 10 p.m. dramas are a little long in the tooth. *Hawaii Five-0*'s median age is 55, *CSI* is 57 and *Revenge* is 52. *Private Practice* is 51, up from 48 in its inaugural season, while *Smash*'s median age is 50. The oldest series in the hour is CBS' Friday night cop show, *Blue Bloods*, which serves a median age of 62 years (Crupi,

2012c, para. 9).

On the other hand, reality series and comedy succeeded. *American Idol* (5.8) and *The X-Factor* (4.3) on FOX and NBC's *The Voice* (5.1) were all in the top 15 in the demo. Comedies made up most of the top-rated broadcast series led by *Modern Family* (5.5)*, The Big Bang Theory* (5.5)*, Two and a Half Men* (5.1)*, 2 Broke Girls* (4.4) and *New Girl* (4.2) (Crupi, 2012c, para. 13).

A new season brings with it a new hope and the Big Three networks are going all out in the 10 p.m. hour for the 2012-2013 television season in hopes that their affiliates get the best possible lead-in to their late newscasts. The networks will each be launching two new dramas at 10 p.m. However,

> …the consensus among broadcasters, critics and ad buyers is that the CBS affiliates have the most reasons for optimism. The network had the strongest 10 p.m. lineup this season and it looks as if it might be stronger next season, mostly due to the addition of *Vegas* on Tuesday (Downey, 2012, para. 3).

The networks are investing heavily in the 10 p.m. hour because the affiliates have recently been very vocal about the last hour of prime-time and its importance to the late news (Malone, 2012). A strong 10 p.m. hour gives the affiliates a good lead-in for their late newscasts, as Eastman and Ferguson (2009) points out, "Theoretically, the strong lead-in carries part of its audience over to the next program" (p. 130). Lead-in can also result in tuning inertia where viewers stay with the channel unless they are "stimulated into action by some forceful reason for change" (Eastman & Ferguson, 2009,

p. 17). This is evident on Sunday nights on NBC where *Sunday Night Football* averaged roughly 20 million viewers in the 2010-11 campaign. *Sunday Night Football* usually ends well past 11 p.m. and the only place where viewers can watch an entire newscast is the NBC affiliates so a "good portion of those football viewers on Sunday nights are going to stay with NBC and watch the local news" (Consoli, 2011, para. 14).

Moreover, in the 2010-11 campaign, FOX ran two hour episodes of *The X-Factor* on Wednesday and Thursday nights providing a solid lead-in into the local news at 10. Rather than launch a half hour comedy on Thursdays, FOX decided to give *The X-Factor* the extra half hour, "If they didn't, I bet the affiliates would have been very angry," one agency representative said (Consoli, 2011, para. 48).

A good example of the effect of lead-ins to newscasts is during the Oprah Winfrey era. Ms. Winfrey's show *The Oprah Winfrey Show* would usually precede the news and provide a good lead-in, as much of Ms. Winfrey's audience would stay around for the local news, "Whatever station had *The Oprah Winfrey Show* would win at 4, the most common time for the daytime talk show. And it would win at 5, too" (Stelter, 2012, para. 2). Once Ms. Winfrey's show ended, the local stations that carried *The Oprah Winfrey Show* lost out. In New York, WABC's local news at 5 p.m. has now fallen behind WCBS, in May 2011 WABC averaged 449,000 viewers but this May without *The Oprah Winfrey Show,* viewership has fallen to 329,000, 25,000 fewer than WCBS. "We started our 5 o'clock newscasts here in New York in 1982, and this is the first time we are No. 1," said Peter Dunn, the president and general manager of WCBS (Stelter, 2012, para. 5).

On Thursdays this season, NBC is taking a different lead-in strategy. Brian Williams' *Rock Center,* a news magazine show, will be occupying the 10-11 timeslot, as NBC Entertainment Chairman Bob Greenblatt believes "its audience should flow into affiliates' local news" (Downey, 2012, para. 34). Audience Flow is when "the next program in a sequence can capture the attention of the viewers of the previous program" (Eastman & Ferguson, 2009, p. 16). Francois Lee, an executive at an agency, supports this, "absolutely, news leading into news is a good audience flow, the demos are similar and this will help the local newscasts retain their respective networks' audiences" (Consoli, 2011, para. 34). However, some disagree with this programming, saying, "it's wasted prime-time real estate" (Downey, 2012, para. 36).

Lead-Ins play a significant role in program scheduling, it exposes the proceeding program to the largest possible audience giving it a better chance to succeed. The 10 p.m. hour has recently declined in both quality and ratings resulting in lower lead-ins for the late local news. This consequently impacts revenue due to the lower ratings for the late local news. The following section will look at the Newscasts and the role they play for stations.

Newscasts

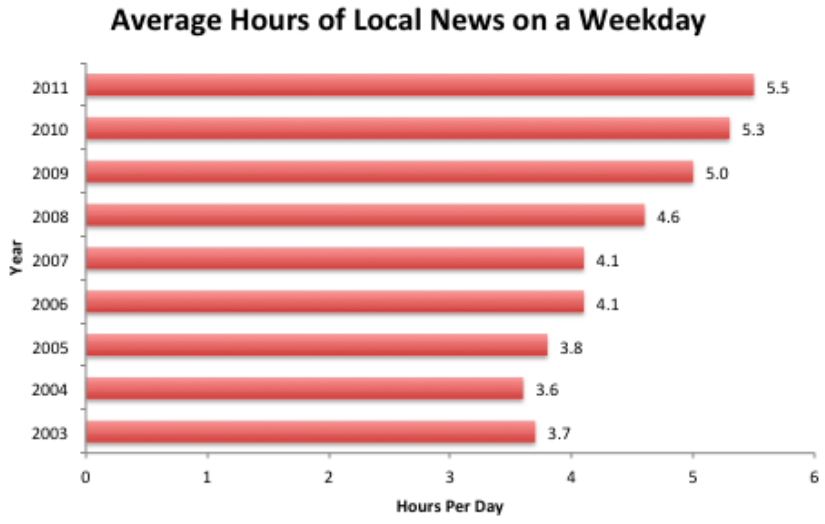
The Federal Communications Commission (FCC) is an independent agency of the United States government that licenses stations. In 1934, they set forth the Communications Act requiring all broadcasting licensees to operate in the 'public interest, convenience and necessity.' Stations that fail to fulfill this requirement have

their licenses either suspended or revoked. Television stations serve the public through news and local programming.

Local news is still the main source of news for Americans with 78% of the population getting their daily news from local news stations ("The Information Needs…", 2011, p. 76). Even though viewership has declined, the audience is higher than any other single news source. This has resulted in a 49% increase in the number of hours of news aired by local TV stations over the last eight years (Figure 2.3). Bob Papper, the Hofstra professor who conducted the survey said:

> "What it tells you is the local TV business, for the most part, sees local news as more and more of its future" (Bauder, 2012, para. 4).

Figure 2.1
Average hours of local news on a weekday on all stations across the country 2003-2011.

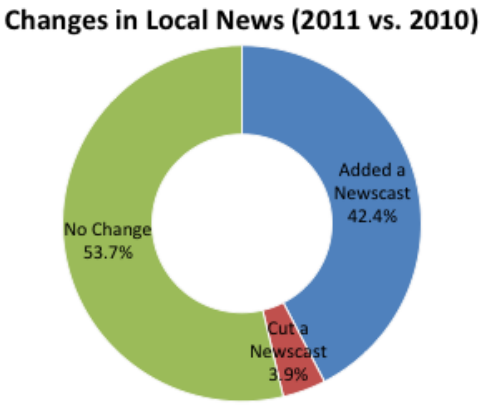


Source: RTDNA/Hofstra University Surveys (Papper, 2012a)

Additionally in 2011, 42% of the stations added a newscast (Figure 2.4) (Papper,

2012a).

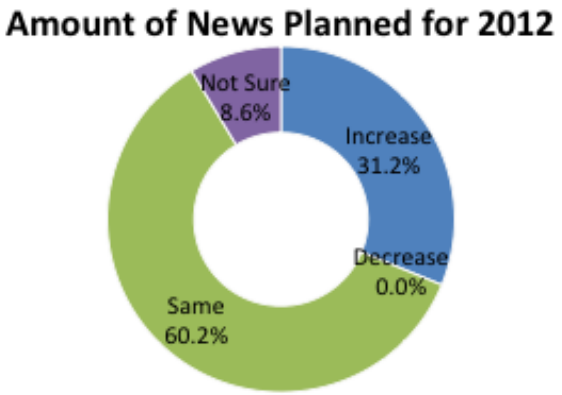
Figure 2.2
Changes in local news for all stations across the country 2011 vs. 2010.



Source: RTDNA/Hofstra University Surveys (Papper, 2012a)

In 2011, a third of the news directors expected an increase in the amount of news for 2012. Interestingly, none expected a decrease (Figure 2.5) (Papper, 2012a).

Figure 2.3
Amount of news planned for all stations across the country in 2012.



Source: RTDNA/Hofstra University Surveys (Papper, 2012a)

The main driver for the increase in the amount of news is the addition or expansion of early morning news shows. Between 5 a.m. and 9 a.m., 28% of the stations added news in that time period and 20% at 4:30 a.m. (Papper, 2012a). Brian Bracco, vice president of news at Hearst Television inc. describes:

> "They [local viewers] are starting their day earlier and are working harder and longer, and they are not at home at 5 or 6p.m.— so that's where their source of news is.... [Consumers] need to know the weather, the traffic, get around the traffic jam.... [The mentality is] 'I want to be smart when I go to work and want to know the latest'" ("The Information Needs…", 2011, p. 78).

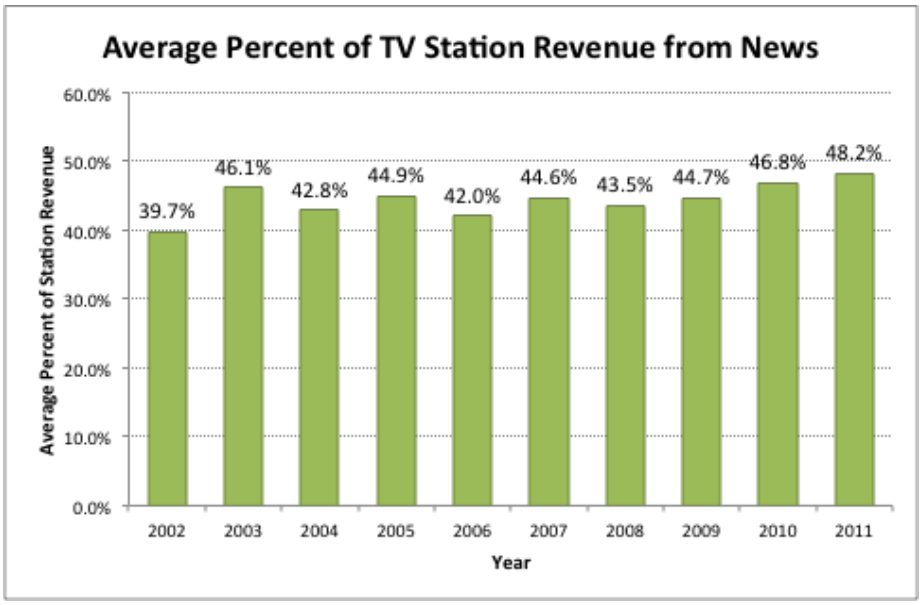
The news directors support this statement with the majority (96.9%) claiming that their morning TV news audience has improved (71.3%) or remained stable (25.6%) (Papper, 2012a).

One advantage of news is cost containment, the start up cost for news may be high but once the infrastructure is available and the personnel is hired, the cost of adding an additional newscast is incrementally small as equipment costs are fixed. On the other hand, syndicated programming costs fluctuate depending on demand and supply (Eastman & Ferguson, 2009, p. 197). *Oprah*, for example, was 'exceedingly expensive for stations.' The ad revenue for *Oprah* 'sometimes barely covered the license fee for the show…. Now, with a lower-rated local newscast, the station makes a profit at that hour' (Stelter, 2012, para. 15). As the news Director of WGCL-CBS, Steve Schwaid, explains:

> "We'll add some staff, it won't be as expensive as syndication, but we'll create a greater local footprint for ourselves on the market, and [it] creates more ad revenue" ("The Information Needs…", 2011, p. 78).

Newscasts are profitable for TV stations as they are inexpensive compared to entertainment programming, discussed above, and because local stations can sell and retain all the revenue from the advertising during their local segments. Moreover, with the networks controlling a significant portion of the inventory within the network programming, it leaves little inventory and hence revenue for the stations. Even in this fragmented period, broadcast television is still an efficient medium to reach large audiences ("The Information Needs…", 2011, p. 75). Consequently, advertisers will continue to spend big on broadcast television. Advertising on newscasts is still the biggest contributor to a station's revenue, with stations generating almost half of their revenue (48.2%) from their five and a half hours of news (Figure 2.6) while the remaining hours (18.5 hours) of the day represents the other 51.8% of revenues (Papper, 2012b, p. 5).

Figure 2.4
Average Percent of TV station revenue from news of all stations across the country, 2002 – 2011.



Source: RTDNA/Hofstra University Surveys (Papper, 2012b)

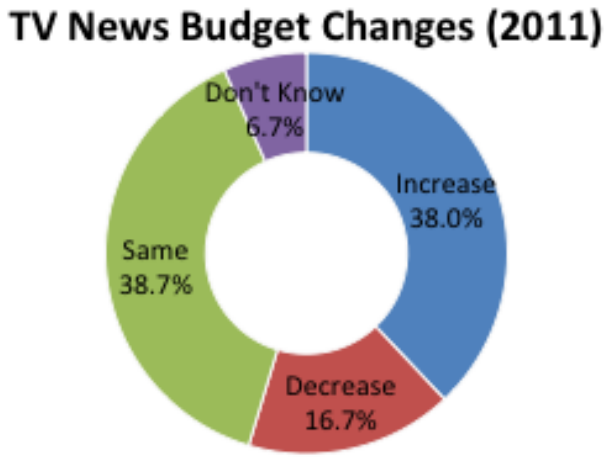
Moreover, the profitability of all TV news rose again in 2011 with 59.3% for 2011 being the highest since 1998 (Table 2.7). This is despite almost 40% (Figure 2.8) of the stations spending more on news (Papper, 2012b).

Table 2.5
Profitability of local news for all stations across the country, 2000 – 2012.

	2012	2011	2010	2005	2000
Showing Profit	59.3%	57.4%	47.8%	44.5%	58.0%
Breaking Even	7.7%	9.3%	14.6%	24.2%	11.0%
Showing Loss	3.7%	6.9%	8.3%	12.1%	11.0%
Don't Know	29.3%	26.3%	29.2%	19.2%	20.0%

Source: RTDNA/Hofstra University Surveys (Papper, 2012b)

Figure 2.6
Local news budget changes for all stations across the country in 2011.

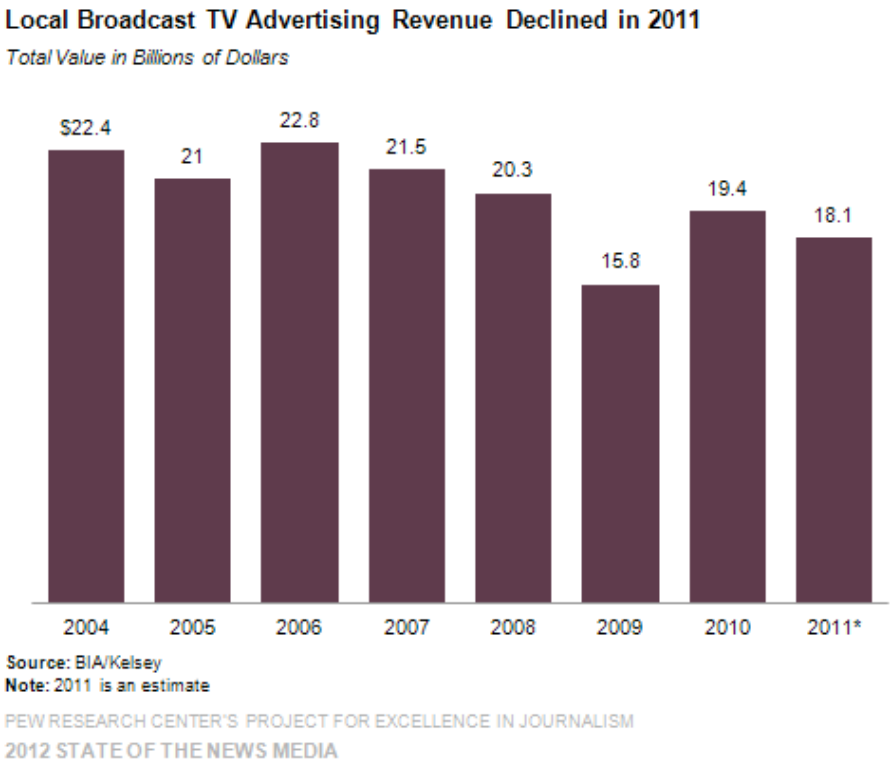


Source: RTDNA/Hofstra University Surveys (Papper, 2012b)

Affiliates have used a number of tactics to generate more revenue from news. In 1991, the networks decided to start their Late Night programming at 11:35 p.m. This allowed the affiliates to add another commercial break within their late news resulting in more revenue, from the selling of advertising, at no additional cost. Another recent tactic is shortening the length of the station's news programs to increase inventory (Eastman & Ferguson, 2009, p. 212).

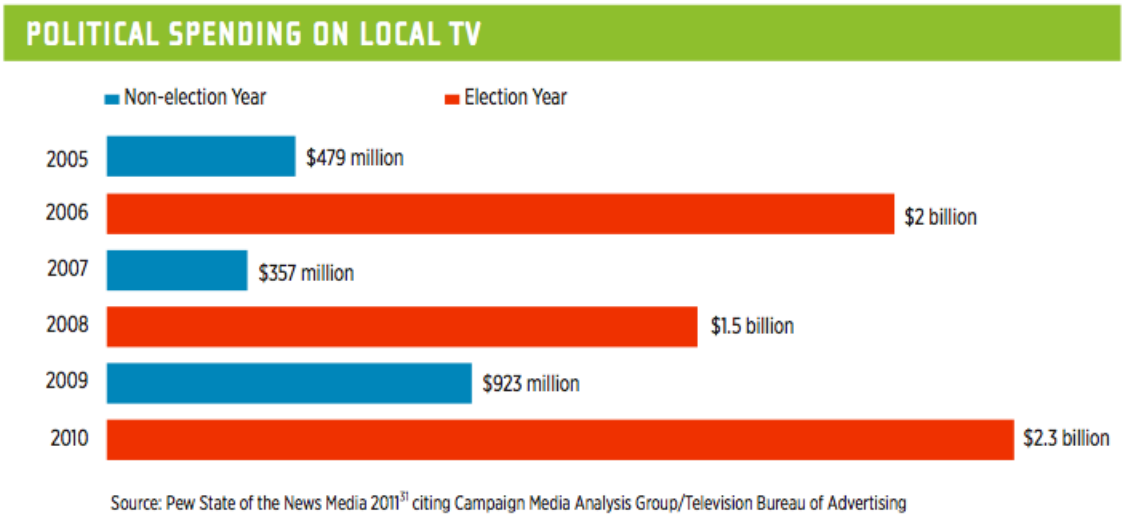
Furthermore, political advertising makes news programs an attractive commodity. Political ads tend to air during local newscasts, "It's always an advantage to have as much news inventory available in the political year" (Marszalek, 2011, para. 27). Therefore more news time will generate more political advertising revenue. Figure 2.9 from Potter, Matsa and Mitchell (2012b) shows that the predicted Local TV advertising revenue for 2011 will fall short of 2010's $19.4 billion.

Figure 2.7
Local Broadcast TV Advertising Revenue for all stations across the country, 2004 – 2011.



However, the U.S. Supreme Court's decision to rule in favor of allowing corporations to spend unlimited amounts of money on political campaigns means political spending on television will set another record leading up to the 2012 presidential election. Some $3.2 billion will be spent on TV advertising and local stations will be the main beneficiaries with over 80% geared towards local spot TV (Friedman, 2011, para. 6).

Figure 2.8
Political spending on all local stations across the country, 2005 – 2010.



In a non-election year political advertising normally accounts for 8-10% of a stations' revenue (Marszalek, 2012, para. 29). However, as shown in Figure 2.10, political spending on local TV increases significantly in election years ("The Information Needs…", 2011, p. 76). So far in 2012, stations are already hiking rates due to "the squeeze on inventory from a crush of political ads taking over the airwaves." Political advertising has added "nearly $41 million to the marketplace that was not there last year." A total of $54.1 million has been spent in political advertising, "$12 million more than the same quarter two years ago during the last major national election." This correlates with what local buyers have been reporting, all inventory in key swing states is filled by political advertising in quarter three (Fitzgerald, 2012a, para. 15).

Newscasts exist to inform the viewing community but they also serve as a significant revenue source for stations. The final section of the literature review will

explore time-shift technology and its impact on stations and networks.

Time-Shift Technology

Time-shift technology has changed the way viewers consume content. Previously content consumption was limited to only TV, but with the introduction of the Digital Video Recorder (DVR) and online platforms the power has transferred from programmers to consumers. Time-shift has always existed in the form of a VCR but DVRs have made it simpler with more user-friendly interfaces and by forgoing video cassettes. Online platforms, on the other hand, have become a major threat to traditional broadcasters with their recent splurge in content acquisition. These technologies pose a threat to broadcast television's 'live' audience, therefore affecting the revenue of stations and broadcasters.

DVR. The DVR is a device that allows consumers to record their favorite TV programs for later viewing at their own convenience. The major concern to broadcast networks and stations is the delayed viewing and "many programmers believe the DVR is to blame for a good part of the erosion" in the 10 p.m. hour. As FX president John Landgraf puts it, "The 'DVR channel' is the No. 1 network at 10 o'clock, by a two-to-one margin," …. "Viewers are using the hour to catch up on the shows, and it's eating into the live ratings. As more and more dramas fail, there is no longer enough off-net material available to sustain the cable programming model " (Crupi, 2012b, para. 5).

According to Leichtman Research Group DVR penetration is at 44% of all U.S TV homes, "creating a new ruling class of 50 million amateur schedulers" (Crupi, 2012b,

para. 4). Crupi goes on to claim that even though “live viewership accounts for 80% of all TV consumption,” Live-plus-seven-day data shows a “36 percent bump” for broadcast ratings (Crupi, 2012b, para. 6). This has resulted in a decline in live TV viewing “for 15 straight quarters, a development closely tied to the rise of the DVR” (Fitzgerald, 2012b, para. 3). This erosion in ratings for prime-time cannot be of any help to the late news lead-out, capping the possible audience exposure to the late news. Even more damning is the median age of the top 10 p.m. programs, which is “56 years, or 24 months beyond the gray fringe of the 25-to-54 demo,” the demographic most advertisers desire (Crupi, 2012b, para. 8).

In terms of advertising revenue as a result decreasing ‘live’ audiences, Wilbur (2008) explains:

> The principal negative consequence of DVR proliferation is the increasing scarcity of viewer attention. Scarcity drives up the price of advertising exposures, not just in television, but across media, as advertisers shift money away from rising television ad prices (Wilbur, 2008, p.145).

On a positive note, DVR penetration has slowed down recently with growth trends indicating the industry has plateaued and that penetration will remain around the 50% mark.

Another feature that is concerning to network executives is the ability to skip commercials during DVR playback. This renders the commercials redundant giving advertisers no incentive to buy spots within TV programs. Networks and advertisers

have debated over which data stream to use as their currency. Advertisers believe that they should buy off 'Live' ratings, as ratings with DVR viewership include viewers who typically skip the commercials. While networks believe DVR ratings should be taken into account in negotiations. They have since agreed on a data stream in between, called the "commercial plus three (C3) " ratings which is a measure of how many viewers watch the commercials in their shows over the first three days after a show is broadcast (Carter, 2011, para. 3). Three days was chosen because "Advertisers like retailers and restaurants, anything with near-term openings, are looking for one- to three-day campaigns" (Carter, 2011, para. 18). Therefore any DVR playback of more than three days isn't helpful for advertisers.

The DVR has played a major role in the evolution of the television landscape. Some network executives even describe DVR viewing as the No. 1 network at 10 p.m. Consequently this has seen erosion in 'live' audiences affecting the networks and stations on the revenue side and stations in regards to lead-in and playback in non-traditional time periods. The lower ratings for the late news limits the amount of revenue it can generate for the station.

Online Services. Another platform that has changed traditional viewing habits is online services. It has created "a new generation that simply views TV differently than previous generations" ("Advertising Forecasts", 2010, p.31). This new generation can utilize these online services to catch-up or time-shift their viewing if they miss the first telecast on broadcast television. Broadcasters have accommodated this by "offering

many of their shows online (via platforms such as iTunes, Hulu and their own websites) and via on-demand services" ("Advertising Forecasts", 2010, p.31). Some of the most successful online video delivery services include Netflix, Hulu, Amazon and iTunes.

Netflix, the most popular service, has the largest library with 750 shows and 23,500 episodes, although these episodes are mostly from older seasons ("The State of Online...", 2011, p. 11). Netflix charges a monthly fee of $7.99 per subscriber which goes towards maintenance of its service and content acquisition such as the streaming deal they struck with ABC in late 2010 offering them "content from ABC, ABC Family and Disney Channel, some airing within 15 days of the original telecast" ("The State of Online...", 2011, p. 9). Another streaming deal they have is with AMC for the rights to some of their popular shows including: *Mad Men*, *Breaking Bad* and *The Walking Dead* (Goetzl, 2011, para. 7). Older broadcast shows can also be found on Netflix.

The future of Netflix rests in their ability to strike deals with content owners. Even though their current subscriber base is at an all time high, they must continue to maintain and improve their library content especially their TV content to prevent consumers from cancelling their subscription.

Hulu is a single destination for consumers to time-shift their television viewing. Created in 2007 as a joint venture of three media conglomerates: NBCUniversal, Walt Disney and News Corp., it is both a free and paid service (Hulu Plus). The site hosted most shows on NBC, ABC and FOX the day after they premiere. Lately, however, some networks such as FOX are delaying that window. In late 2011, Hulu struck a deal with

The CW to stream “five episodes of the current season programming eight days after” the original telecast (Lieberman, 2011, para. 4). The free subscription is supported by advertisements and Hulu Plus costs $7.99 a month. The free Hulu subscription has 450 shows and 29,700 episodes available while the Plus subscription adds a further 16,000 episodes.

Hulu Plus “offers the biggest collection of first-run TV shows often allowing viewing the day after they air” (“The State of Online...”, 2011, p.11). Hulu Plus has become the destination for consumers to find next-day streaming after some networks chose to delay streaming their shows on Hulu’s free service. Its subscription also adds an additional revenue stream for the networks as they see more of their television audience shift to online. Despite this, free Hulu still has a generous offering of current shows, with the only disadvantage being that episodes are posted for short periods of time (usually around 30 days). Overall, Hulu still has the largest collection of current shows “thanks to aggressive ad campaigns and content being supplied by most studios” (Holden, 2009) and consumers are more likely to find current content on Hulu than on any other service.

The major networks have also made full episodes available through their websites (ABC.com, NBC.com, FOX.com, CWtv.tv and CBS.com).

Amazon has two online video services: Prime Instant Video and Instant Video. Prime Instant Video is a subscription service with an annual subscription of $79 (equivalent to $6.58 per month). It offers 500 TV shows but only 4,000 episodes with

the majority of episodes being outdated as “the service does not yet have the deals in place with studios and networks to get fresher content” (“The State of Online...”, 2011, p.11). The service is hopeful of increasing its offerings in the future, but not to the level of Netflix or Hulu since it is “an added benefit to Prime’s service of free two-day shipping” (“The State of Online...”, 2011, p.11). Amazon Instant Video is a paid view service that “is one of the most popular and widely available digital movie and TV rental services available” (“The State of Online...”, 2011, p.11). Their catalog has 2,300 TV shows and 62,000 episodes and consumers are charged for each title (“The State of Online...”, 2011, p. 13).

Apple’s iTunes is the leader in the paid view market with 69,000 TV episodes (“The State of Online...”, 2011, p.11). Moreover, “Apple's iTunes remains one of the preferred Web video platforms for a number of TV networks” (Castaneda, 2008, para. 15). ITunes was initially introduced as an additional revenue source to supplement advertising (Castaneda, 2008, para. 16). The first network to sign on with iTunes was ABC, agreeing to stream their prime-time shows on the platform during the fall of 2005 (“Economics of TV...”, 2007, p. 60). Nowadays its catalog includes programs on ABC, NBC, FOX, CBS, The CW and others. From 2005 to 2010 it sold 450 million TV episodes generating approximately $627 million for studios over that time period (Myers, 2010, para. 3).

This research studied the many different online platforms networks use to host their content. Consumers have made it clear that they want television content to be

available online, however, **"**studios continue to be wary of the online video market. In large part, their fear is rooted in the idea that it will eat away at their existing business," ("The State of Online...", 2011, p.9) harming ratings and thus advertising. *Lost* is a prime example of this, after it was made available on iTunes it suffered a ratings decline in its third season. Although it is hard to argue that iTunes availability was the main driver for its ratings decline as it "had a mid-season break and *American Idol* to content with" ("Economics of TV...", 2007, p.60).

Online services have recently entered the original content market, Netflix's first series, *Lilyhammer*, debuted in 2012 while Hulu has offered exclusive web series on their platform since 2011 (Perez, 2012). These original series are only available to subscribers and even though it is still in its infancy, it is evident online services are here to stay and pose a threat to traditional broadcasters.

Online services have become a growing threat to broadcasters, it has given consumers another option to time-shift their viewing drawing more eyeballs away from traditional television. The idea of 'appointment television' has been made redundant as consumers now have access to the latest episodes of their favorite shows online as well. As more consumers shift to online streaming, it will have an impact on the ratings of prime-time with a flow-on effect on the late news.

Summary

The late local news is an important daypart for local stations. It generates a significant amount of revenue for local stations since it has prime-time programming as

a lead-in. New technologies have however disrupted the ratings for both dayparts. This research will analyze the rating trends of prime-time and the late local news to determine the effects of time-shift technology.

The research began with the analysis of the network and affiliate relationship. The relationship revolves around content; networks supply affiliate stations with much needed content and stations provide them with the platform to broadcast the content, along with the advertising messages within the program, across the country. These advertisements generate revenue and the rate per advertisement is determined by the ratings the programs generate. Network programmers use scheduling strategies to maximize ratings. One strategy is lead-in, which is a particularly important strategy for local stations and their late local news. This research has shown that both the quality and performance of the 10 p.m. programs have been in decline, therefore having a flow-on effect on the ratings of the late local news. Late local newscasts exist to inform the market of recent events locally, nationally and internationally. They are also a big revenue source for stations as they are relatively inexpensive, have a prime-time lead-in and occupy a relatively high HUT time period. Late local news has however been affected by time-shift technology, this research looked at the role time-shift technologies such as DVRs and online services has on ratings. It is evident time-shift technologies have shown to have a negative outcome on ratings for networks and stations.

Current literature only analyzes the particular areas they cover; however, there

is a lack of research that explores the relationship between time-shift technology and the ratings of not only prime-time but the late local news as well. The current study will contribute to the existing research literature by analyzing the ratings for prime-time and the late local news to prove how time-shift technology has played a role in changing the viewing habits of consumers.

Chapter Three: Methods

For a long time, network prime-time programming was one of the handful of mediums capable of drawing mass audiences. However, the plethora of platforms that are now available for content consumption has removed the notion of appointment television, diminishing the live viewership of prime-time. The smaller 'live' viewership of network prime-time programming has a direct effect on a local station's late newscast. As part of the analysis of the performance of the late local newscast, stations need to take into consideration many more factors when investigating the diminishing numbers of both prime-time and late local newscasts.

The following research questions were addressed in this study:

- What impact does the lead-in program have on the delivery of the late local news?
    - What is the delivery of the late local news when it has a smaller ratings lead-in?
    - What is the delivery of the late local news when it has a larger ratings lead-in?
    - Does news ever grow from its lead-in rating?
- What is the relationship between the ratings of the 10 p.m. hour of prime-time and the late news?
- What is the relationship between the ratings of prime-time and the television viewing habits of its current consumers?

- What is the impact of time-shift technology on the ratings of prime-time and the late news?
- How significant is the quality of the 10 p.m. programs in the decline in ratings for the hour?

This study was based on quantitative analysis of secondary data using Nielsen TV Ratings obtained with the program WRAP. The analysis was divided into two parts to answer the research questions. The first step was to collect the TV Ratings data with WRAP and export it into Microsoft Excel. The data was analyzed by tracking trends and the retention rate over the last eighteen years. The researcher also analyzed Emmy Awards and Golden Globe Awards data to study the quality of the 10 p.m. programs.

Sample

Below, the researcher describes the samples for each section of the analysis and explains how they were selected from the broader population.

Nielsen TV Ratings Analysis: The sampling procedure used by the researcher was convenience and purposive sampling. The researcher used the February, May, July and November Nielsen TV Rating books from 1993 to 2010 and only CBS, NBC and ABC data in the New York, Los Angeles, Chicago and Philadelphia markets were used. This data was selected due to the limitations of the WRAP software. The HUT, the Household ratings (HH) and the Adult 25-54 (A25-54) ratings were used for the 10 p.m. – 11 p.m., 11 p.m. – 11:30 p.m., 8 p.m. – 11 p.m. and the 6 a.m. – 1 a.m. time periods.

Awards Analysis: The sampling procedure used by the researcher for this section was purposive sampling. The Emmy and Golden Globe nominations and awards for the programs between the 1993-1994 and 2010-2011 television seasons were tallied to determine the quality of the 10 p.m. programs.

Measurement Instruments

The researcher collected and processed secondary data and the main sources of information were:

- ***Golden Globe database (Goldenglobes.org):*** The researcher used historic nominations and award winners data collected yearly from 1994 to 2011 as voted by the Hollywood Foreign Press Association.
- ***Prime-time Emmy Award database (Emmys.com):*** The researcher used historic nominations and awards data collected yearly from 1994 to 2011. The site is the official Emmy Awards site.
- ***Wikipedia (Wikipedia.org):*** The researcher obtained Fall TV Prime-time schedules from Wikipedia. Wikipedia is a cooperative database; however contributions must be approved by the site's staff and therefore are accurate. The site is continuously updated.
- ***WRAP:*** The researcher obtained Live Only ratings from February 1993 to November 2010 from this program. The data collected was the top four markets combined (New York, Los Angeles, Chicago and Philadelphia) but split individually for each network (ABC, CBS and NBC). The program uses data

provided by Nielsen.

Data Collection

Nielsen TV Ratings: The researcher tabulated the sum of the Nielsen TV Ratings data of the three broadcast networks (ABC, CBS and NBC) in the top four markets combined (New York, Los Angeles, Chicago and Philadelphia) from the February, May, July and November Nielsen TV Ratings book from 1993 to 2010. This data was obtained using WRAP with time periods adjusted for the Central Time Zone. The HUT, the Household ratings and the Adult 25-54 ratings were analyzed for the 10 p.m. – 11 p.m., 11 p.m. – 11:30 p.m., 8 p.m. – 11 p.m. and the 6 a.m. – 1 a.m. time periods.

Awards: The data for this section was collected from online databases. The researcher collected historic data for the following variables: Nominations and winners for the Emmy Award in Outstanding Drama Series, nominations and winners for the Emmy Award in Outstanding Comedy Series, nominations and winners for the Golden Globe in Best Television Series – Drama, nominations and winners for the Golden Globe in Best Television Series – Comedy or Musical and the complete 1993-1994 to 2010-2011 prime-time broadcast schedules. The number of observations included in the sample was 18 corresponding to the time period, 1994 to 2011. Once the researcher finished collecting the data, the nominations and winners were compared to the prime-time broadcast television schedules with only the 10 p.m. programs tallied and arranged in a chronological table.

Data Analysis

Nielsen TV Ratings Analysis: The collected data was organized on one excel table. The table included the month-year on the horizontal axis and the HUT, Household ratings and adult 25-54 ratings on the vertical axis. On the vertical axis each demo was divided into four subsections for the different time periods, 10 p.m. – 11 p.m., 11 p.m. – 11:30 p.m., 8 p.m. – 11 p.m. and 6 a.m. – 1 a.m. The retention rate, the 11 p.m. – 11:30 p.m. rating as a percentage of the 10 p.m. – 11 p.m. rating was calculated for Household and Adult 25-54 ratings. Line graphs were subsequently plotted for each time period with rating on the vertical (y) axis and the month-year on the horizontal (x) axis. Each graph had a plot of the HUT, Household and Adult 25-54 rating for the corresponding time period. These graphs were used to ascertain the relationship between HUTs and Households and Adult ratings. Additional line graphs were plotted for each demo (Households and Adults 25-54) to compare the trend of the 10 p.m. – 11 p.m., 11 p.m. – 11:30 p.m. and 8 p.m. – 11 p.m. time periods. These graphs were used to show if there is a correlation between the 11 p.m. – 11:30 p.m. time period and the prime-time time periods, 10 p.m. – 11 p.m., and 8 p.m. – 11 p.m. A further two graphs were charted showing the percentage of retention for each month-year for each demo, Households and Adults 25-54.

Awards Analysis: The collected data was transcribed into a table with the year (1994 – 2011) on the horizontal axis and the nominations and the winners on the vertical axis. Since the Emmy Awards are held at the start of every television season –

September, the nominations and the winners for the respective year correspond to the previous season, i.e. the Emmy Award Winner in 2011 corresponds to 2010-2011 season, which, in this study will be 2011 for short. The Golden Globes are held annually in January, therefore nominations and winners for their respective year correspond to the current season, i.e. the Golden Globe Winner in 2011 corresponds to the 2010-2011 season, which, in this study will be 2011 for short. The nominations and winners were tallied and compared to the prime-time schedules for the corresponding year with only the 10 p.m. dramas recorded and tabulated. The Golden Globe and Emmy nominations for each year were combined while the Golden Globe and Emmy winners for each year were also combined. For simplicity, we gave a nomination for either a Golden Globe or an Emmy the same weighting. Similarly, a winner for either a Golden Globe or an Emmy was given the same weighting. This data was charted on a clustered column graph for analysis.

Chapter Four: Results

In this chapter we will present the results of the data analyzed according to the methodology described in Chapter Three. In order to answer the research questions, the analysis was divided into two sections: the quality of the 10 p.m. programming and the Nielsen TV ratings performance of various dayparts.

Awards/Quality: In this section, the researcher observed the quality of 10 p.m. programming over time. The researcher compiled a list of the 10 p.m. programs during the 1993-1994 to 2010-2011 television broadcast seasons that were either award nominees or winners according to the methodology described in Chapter Three.

Figure 4.1
The 10 p.m. programs that were either winners or nominees between the 1993-1994 and 2010-2011 seasons.

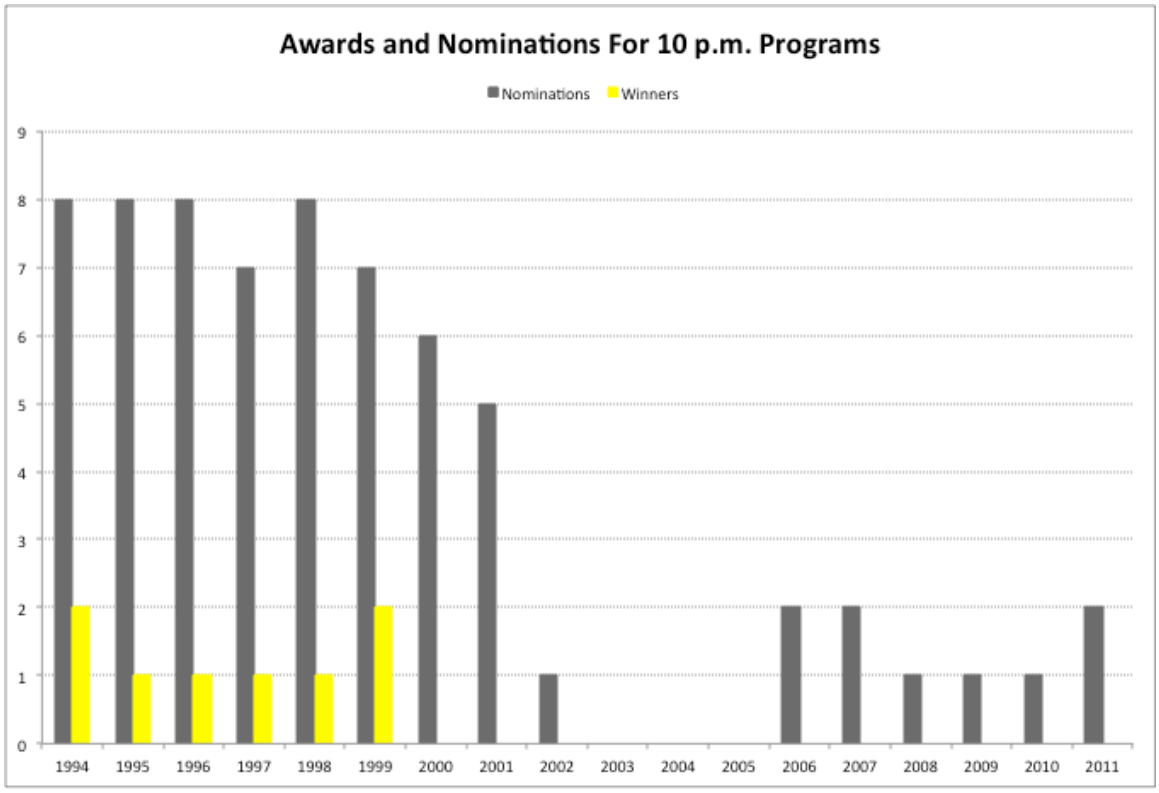


Figure 4.1 shows that during the earlier broadcast television seasons, the quality of 10 p.m. programming was significantly better. Between 1994 and 1999, there were between seven and eight 10 p.m. programs nominated for either an Emmy or a Golden Globe each year and at least one program won an Emmy or a Golden Globe each year. At the turn of the century, nominations declined and not one 10 p.m. program has won an Emmy or a Golden Globe since. The nominations reached a low of zero in 2003 and 2004 and have fluctuated between 1 and 2 each year between 2006 and 2011.

Nielsen TV Ratings: In this section, the researcher observed the Nielsen TV Ratings of different dayparts and different demographics. The researcher plotted graphs for the 6 a.m. – 1 a.m., 8 p.m. – 11 p.m., 10 p.m. – 11 p.m. and 11 p.m. – 11:30 p.m. dayparts according to the methodology outlined in Chapter Three.

Figure 4.2

The combined ratings for the ABC, CBS and NBC affiliates in the New York, Los Angeles, Chicago and Philadelphia markets for the 6 a.m. – 1 a.m. time period.

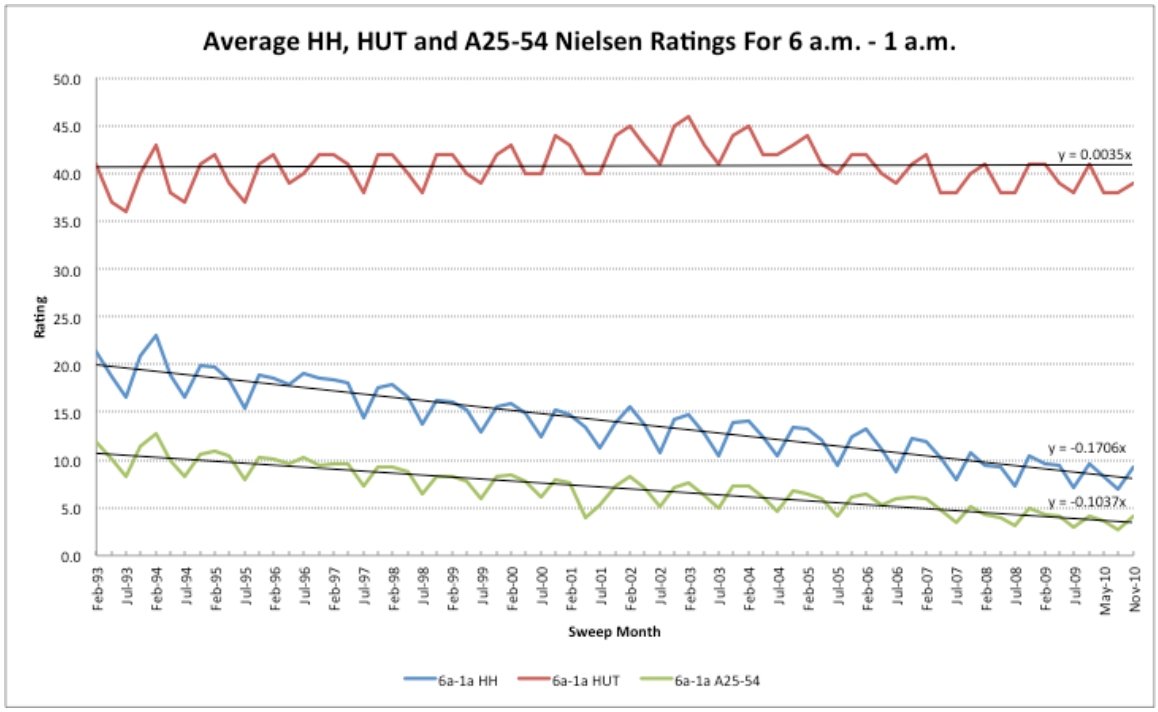


Figure 4.3

The combined ratings for the ABC, CBS and NBC affiliates in the New York, Los Angeles, Chicago and Philadelphia markets for the 8 p.m. – 11 p.m. time period.

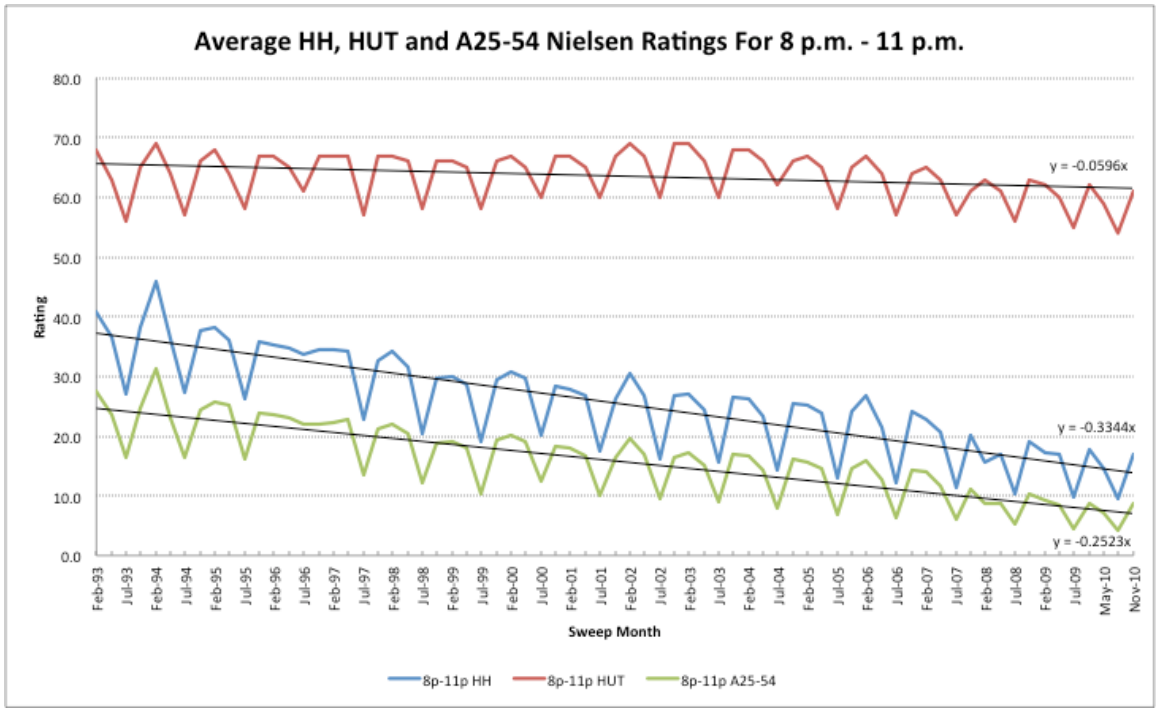


Figure 4.4

The combined ratings for the ABC, CBS and NBC affiliates in the New York, Los Angeles, Chicago and Philadelphia markets for the 10 p.m. – 11 p.m. time period.

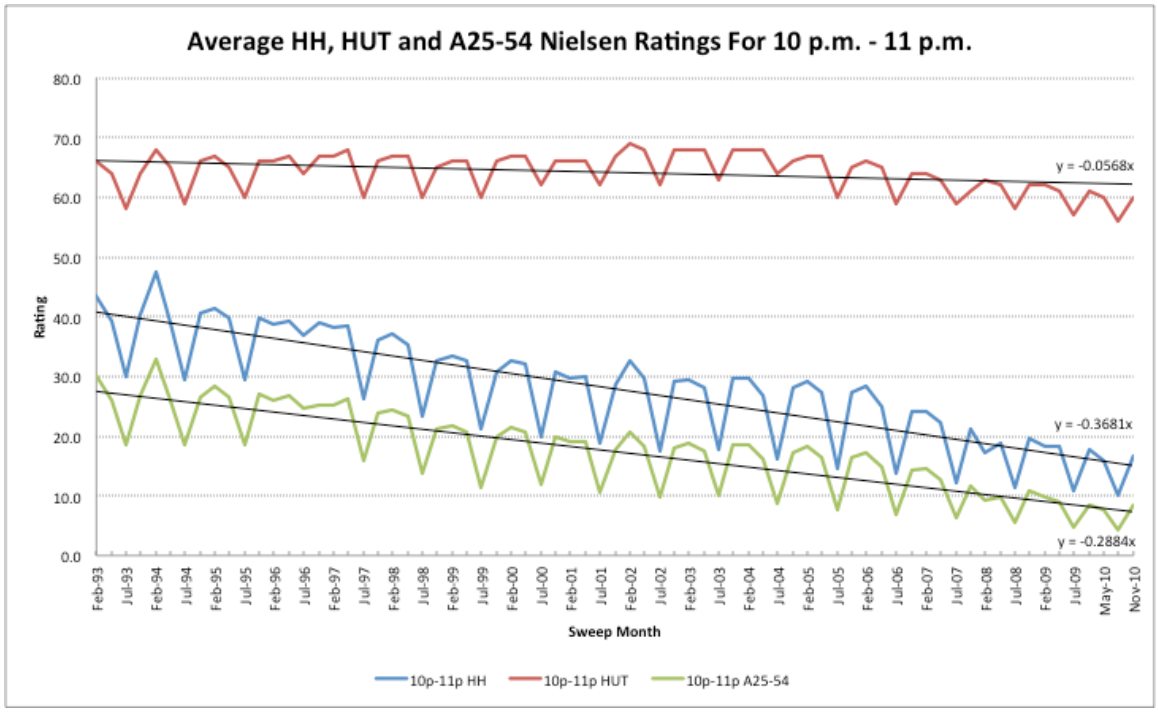
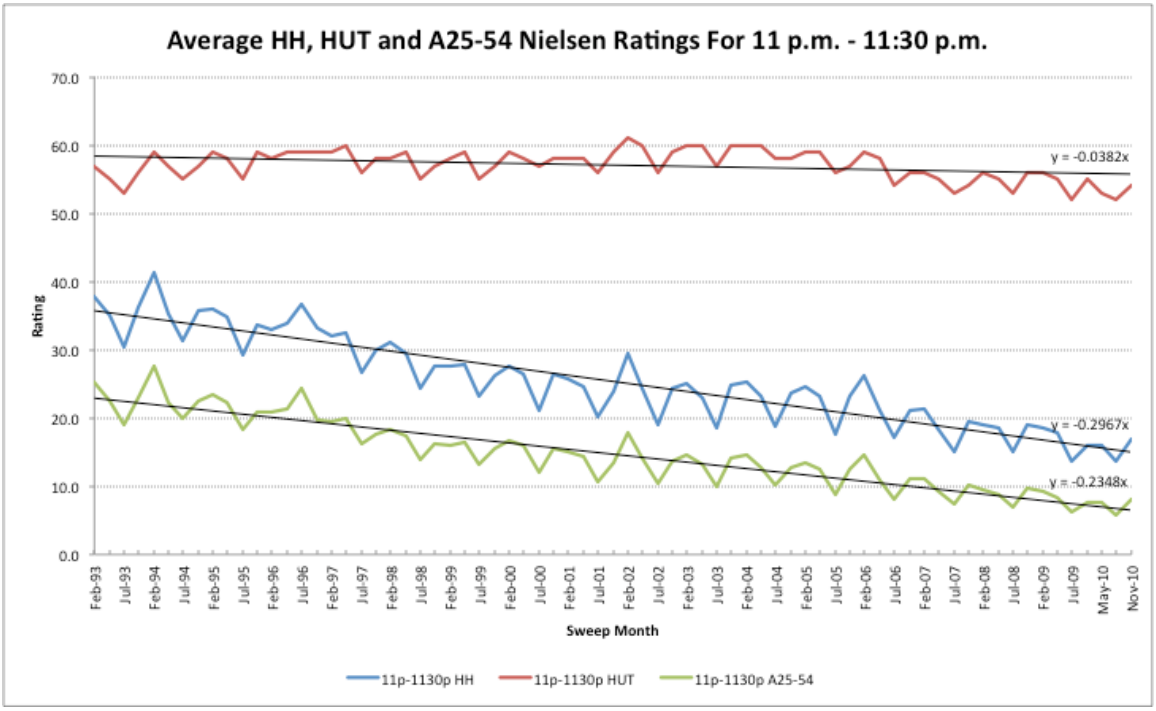


Figure 4.5

The combined ratings for the ABC, CBS and NBC affiliates in the New York, Los Angeles, Chicago and Philadelphia markets for the 11 p.m. – 11:30 p.m. time period.



First, the researcher analyzed the average HUT level (red line) for each daypart. Ignoring seasonality[1], figures 4.2, 4.3, 4.4 and 4.5 indicate that the average HUT levels during the elected time period, February 1993 to November 2010, have remained reasonably constant across all dayparts. However, the average HH (blue line) and A25-54 (green line) ratings have steadily declined over the same time period in all dayparts. This is confirmed by the correlation coefficients of the trendlines, the HUT

[1] Seasonality: The normal broadcast season is Fall to early Spring. For prime-time, viewing is at its peak when there are less daylight hours per day – early November to early March – which the November and February books fall in. Viewing gradually decreases once daylight savings starts – early March onwards, which is represented in the May book – and declines to a low during the July book when daylight hours are longer per day.

trendlines for all dayparts have correlation coefficients of close to 0. This implies that there is little relationship between HUT and time. On the other hand the correlation coefficients for prime-time and late news were between -0.2 and -0.4, this implies that there is a negative correlation between HH and A25-54 over time. While the correlation coefficients for HH and A25-54 in the 6 a.m. – 1 a.m. time period were closer to 0, a negative correlation is still evident.

Table 4.6
Ratings Decline of the ABC, CBS and NBC Affiliates in the New York, Los Angeles, Chicago and Philadelphia markets for Each Daypart in HH and A25-54

Daypart	Demo	1994	2009	% Loss
6 am. – 1 a.m.	HH	19.6	8.9	-55%
	A25-54	10.4	3.9	-63%
8 p.m. – 11 p.m.	HH	36.8	15.4	-58%
	A25-54	23.8	7.7	-68%
10 p.m. – 11 p.m.	HH	39.1	16.3	-58%
	A25-54	26	8	-69%
11 p.m. – 1130 p.m.	HH	35.9	16.5	-54%
	A25-54	23.1	7.8	-66%

Table 4.6 illustrates that despite the constant television usage habits (HUTs), the average HH and average A25-54 ratings have declined by more than half in all dayparts. Moreover, the average A25-54 ratings lost 10 percentage points more than the average HH ratings.

Figure 4.7

The combined A25-54 ratings for the ABC, CBS and NBC affiliates in the New York, Los Angeles, Chicago and Philadelphia markets.

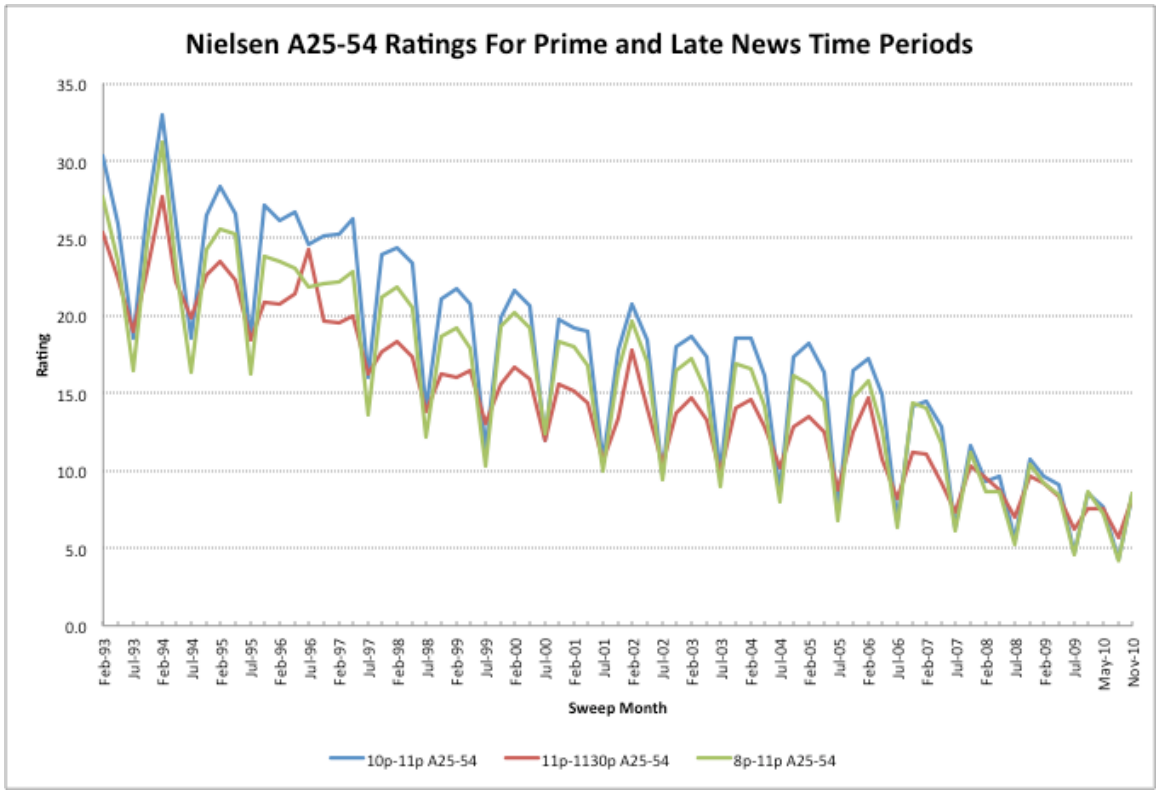
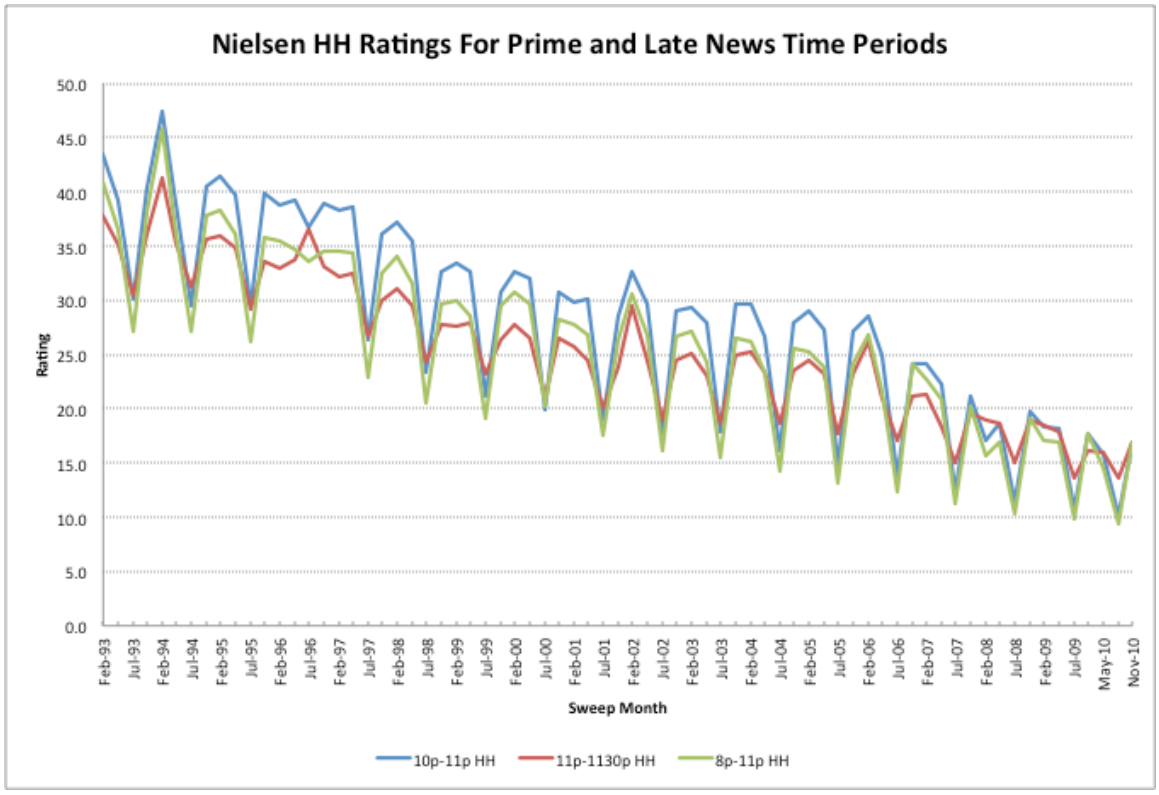


Figure 4.8

The combined HH ratings for the ABC, CBS and NBC affiliates in the New York, Los Angeles, Chicago and Philadelphia markets.



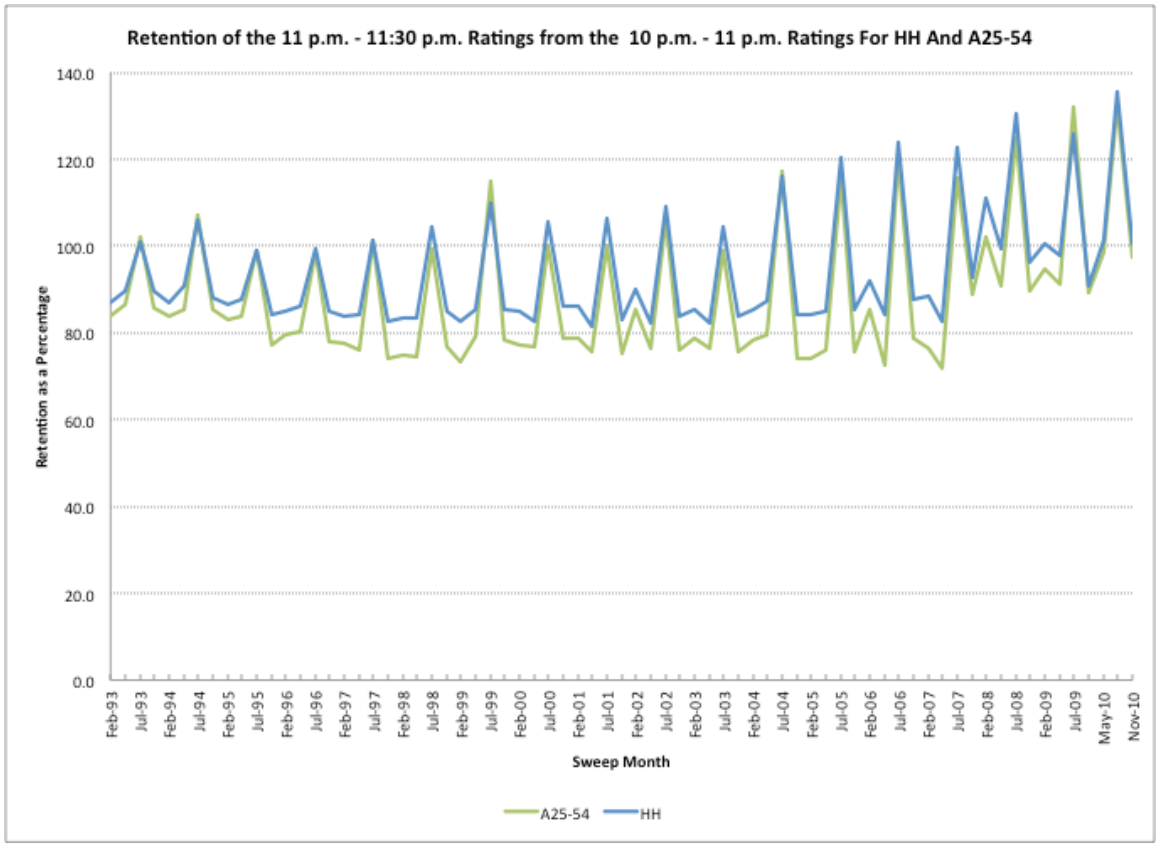
Figures 4.7 and 4.8 respectively illustrate the A25-54 ratings and HH ratings for three time periods, 10 p.m. – 11 p.m., 11 p.m. – 11:30 p.m. and 8 p.m. – 11 p.m. Both Figures show a similar trend for all time periods:

- The ratings for the succeeding year are generally lower than the previous year.
- Seasonality is evident in both demographics.

Further, all three dayparts have a similar shape graph, with ratings for 10 p.m. – 11 p.m. being the highest, followed by the 8 p.m. – 11 p.m. time period with the 11 p.m. – 11:30 p.m. time period being the lowest rated.

Figure 4.9

The retention of the 11 p.m. – 11:30 p.m. ratings from the 10 p.m. – 11 p.m. ratings for the ABC, CBS and NBC affiliates in the New York, Los Angeles, Chicago and Philadelphia markets.



The graphs for the HH ratings and A25-54 ratings follow the same trend as depicted in Figure 4.9. However, the retention for HH ratings is typically higher than A25-54. With that said, the retention of the late news (11 p.m. – 11:30 p.m. time period) essentially hovered between the 80 to 100% range. The exception to this was in the

months of July, where it wasn't uncommon for retention to be over 100%. More recently, retention has been above 100% even during the February book.

The results presented in this chapter take us a step closer to understand the decline in local news and how technology plays a role in this. The awards analysis showed the decline in quality of 10 p.m. programming. The Nielsen TV ratings analysis showed that despite the constant television usage, ratings for all time periods in all demos declined over the past 18 years. Typically, ratings for the late news (11 p.m. – 11:30 p.m. time period) were the lowest and followed a similar trend to prime-time (8 p.m. – 11 p.m.) and the last hour of prime-time (10 p.m. – 11 p.m.). The retention rate of the late news from the last hour of prime-time ranged from 75 – 100%. The implications of these findings will be discussed further in the following chapter of study.

Chapter Five: Discussion

Over the last decade the media landscape has experienced radical change. Media consumption has changed from "appointment viewing," where network programmers determine the viewing schedule of consumers to On Demand viewing, where the consumers are in control. This has been detrimental to the television business as broadcasters and stations see their live viewership numbers decline as a result of these options.

Television advertising is the main revenue source for broadcasters and stations with viewership numbers determining the amount of revenue each program can generate. The decline in viewership is evident in prime-time with a flow-on effect on its lead-out, the late local news. Without getting into too much detail, lower ratings have a direct impact on advertising revenue as advertisers move their spending dollars away from television due to the lower reach and lower possible exposure of their campaign. The late local news is the main revenue driver for local television stations so a lower prime-time audience generally means lower ratings for the late local news.

The purpose of this quantitative study was to analyze Nielsen television ratings of the top four markets to determine how technology has changed prime-time viewing patterns and its relationship to late local newscasts ratings in those markets. This study also researched the quality of the prime-time programs by examining the award show performances of current and past prime-time programming. Previous research was very limited as it was market specific.

The Nielsen TV ratings analysis of this study had the objective of showing the relationship between the ratings delivery of the lead-in prime-time program and the ratings delivery of the late local news. The analysis revealed that the ratings of the late local news followed the same trend as the preceding prime-time program. Over the nominated time frame there was a gradual decline in both HH and A25-54 ratings for prime programming, which consequently had a flow-on effect on the late local news. Therefore, we can conclude that lower ratings for a 10 p.m. program results in lower ratings for the late local news and vice versa.

This loss in viewership can be explained by the new technologies available to the viewer. Firstly, cable television has provided viewers with more choice with the availability of more channels. Time-shift technology has given consumers versatility as they can create their own viewing schedule without being tied to the programmer's decision and schedule. This technology has evidently diminished the likelihood of live television consumption, subsequently leading to a decline in ratings for both prime-time and the late local news. This decline in ratings may have an impact on a station's revenue as advertisers generally buy on a per ratings point basis.

The relationship between the 10 p.m. prime-time hour and the late local news is evident in the results. The seasonality effects in the 10 p.m. hour have a flow-on effect on the late local news. Generally, the retention of the late local news from the 10 p.m. hour is between 75% and 100%, however during the summer (July book), the ratings for the late local news regularly grew from the 10 p.m. hour. This was unexpected but not

surprising as ratings for prime-time are lower in the summer months. This may suggest that the late local news isn't totally dependent on the ratings delivery of prime-time and that viewers still switch on at 11 p.m. to watch the late local news. Furthermore, retention in the A25-54 demographic was lower compared to HH, implying that lead-ins are less important to the A25-54 demographic. Since A25-54 is harder to reach, it becomes a more valuable buying demographic. One possible reason for lower retention is new technologies, which allows consumers to consume news online at their convenience.

Viewing habits may also be a reason for the decline in ratings. The researcher analyzed key dayparts to show that the change in consumer viewing habits isn't limited to prime and late news. In all dayparts analyzed, 6 a.m. – 1 a.m., 8 p.m. – 11 p.m., 10 p.m. – 11 p.m. and 11 p.m. – 11:30 p.m., the HUT was constant. This means that the usage of television remained the same between 1993 and 2010. However, HH and A25-54 ratings for the combined ABC, CBS and NBC affiliates in the New York, Los Angeles, Chicago and Philadelphia markets declined by more than half in all dayparts.

The constant television usage but a decline in HH and A25-54 shows that consumers are moving away from network television to other platforms of media such as Cable television and DVR playback. Cable television and DVR playback has resulted in the fragmentation of audience, these options shrink the available audience 'pie' for network television. Subsequently, fragmentation may be a factor in the decline of viewership in all dayparts including prime-time and late news. The decline in the A25-54

demographic, the main demographic stations use to set ad rates, is more pronounce and therefore affects the station's bottom line. This can also be a problem for the future, as this demographic will soon be replacing the 55+.

Besides changing viewing habits, the quality of the programs may also have an impact on a program's ratings. The analysis of the quality of the 10 p.m. programs proved that the quality of the 10 p.m. programs has diminished over the last two decades. Between 1994 and 1999, seven to eight 10 p.m. programs were nominated for either an Emmy or Golden Globe each year with at least one program winning each year. After that, nominations fluctuated between one and two each year without a program winning. This decline in quality might be a contributing factor to the decline in ratings for the 10 p.m. hour. As suggested earlier, since there is a correlation between the ratings of the 10 p.m. hour and the late local news, the declining quality of the 10 p.m. programs may play a role in ratings for the late local news.

Even though networks spend millions of dollars in promoting their shows on television, billboards and print. Award nominated and winning programs can receive unprecedented promotion. This 'free' promotion can result in more eyeballs, as good quality programming will receive more media coverage during the awards season creating buzz and awareness. This awareness can lead to consumer curiosity and potentially word of mouth thus resulting in higher viewership.

Limitations

The limitations of data availability only allowed the researcher to analyze the ABC, CBS and NBC affiliates in the New York, Los Angeles, Chicago and Philadelphia television markets. The Dallas-Forth Worth market was disregarded due to processing and time zone errors, which affected the analysis of the data. Trend models are much more reliable when they are built using larger data sets. However, even without the Dallas-Fort Worth market, the analysis represented 16.96% of the American country compared to the 19.20% if Dallas-Fort Worth was included. This smaller data set could have produced inaccurate results or misrepresented some of the trends. Furthermore, the February 2010 Nielsen television ratings book wasn't available for analysis at the time the data was gathered, possibly distorting some of the results.

Another objective of the study was to determine the quality of the 10 p.m. programs. Even though data from the Emmy Awards and Golden Globes were analyzed, it wasn't an exhaustive list since another credible determinant of television quality, the Television Critics Association Awards (TCAs) data, wasn't available.

Recommendations for Future Research

Based on the results of the study, there are several recommendations for future research. First some of the limitations outlined in this study may be minimized or eliminated in a revised implementation of the analysis of the Nielsen television ratings and the analysis of the quality of the programs. In order to improve the accuracy of the study the average quarter hour data can be analyzed for audience flow between the last

quarter hour of prime-time (10:45 p.m. – 11 p.m.) into the first quarter hour of the late news (11 p.m. – 11:15 p.m.).

Secondly, in order to achieve a better understanding of the relationship between the decline of the 10 p.m. hour and the ratings of the late newscasts, the analysis should extend to FOX and CW affiliates. Finally, cable television ratings for CNN, MSNBC, HLN and FOX News Channel should be included to demonstrate the changing landscape in the television industry.

Conclusions

The present study elaborated on some of the topics within the current state of the broadcast networks and local stations. The major findings are summarized below:

Ratings for the late local news are lead-in dependent

The late local news is the main revenue driver for local stations; its timeslot is prime real estate for stations as it follows the highest rated daypart in the television schedule, prime-time, and it is one of the highest HUT time periods for local programming. Together with the ability to sell the entire available inventory of the late news means it can generate millions of advertising dollars for stations. This analysis revealed that the late local news ratings followed the same trend as both prime-time and the 10 p.m. hour. This confirms the findings of previous studies and suggests viewers of prime-time and the 10 p.m. hour typically continue to stay and watch the proceeding late local news. Subsequently, if prime-time and the 10 p.m. hour decline in

viewership, which has been proven in this study, it will have a flow-on effect on the late local news. The decline in ratings will have an impact on the revenue of the late local news and therefore the stations. Local stations can only hope for better prime-time and 10 p.m. programming, possible ways of improving programming include stations and networks working together to program the highest rated and most compatible program in the 10 p.m. hour or on the extreme side, stations placing pressure on the networks by threatening affiliation switch.

Quality of programming on Broadcast Television is diminishing

This study analyzed the quality of the 10 p.m. programs, past and present. It was evident that the 10 p.m. programs of the past decade have received less critical acclaim than programs from the previous decade. This diminished quality may have resulted in a decline in ratings for current programs. Nowadays, it seems producers are taking their projects to other outlets such as cable e.g. *Mad Men* and online distributors e.g. *House of Cards*. These distributors are allegedly giving producers more flexibility and freedom with their shows as cable and online distributors are less focused on the traditional broadcast model. This flexibility means producers don't have a) to work with the normal 22-episode season order and b) to cater for the broader audience. The freedom given to producers also gives them more control of distribution through other mediums and therefore more back-end revenue.

The lack of Award show nominations and winners for 10 p.m. programming has most likely lead to lower ratings. Award show nominees and winners normally receive a

lot of 'buzz' and media attention during the awards season, this is unprecedented promotion creating greater program awareness. Shows that receive award nominations or wins have proven that they can draw a new audience. One example is *Mad Men*, which grew from under a million viewers for its series premiere (Seidman, 2008, para. 2) to over two million for its sophomore premiere (Hibberd, 2008, para. 2) to 3.5 million (Kondolojy, 2012, para. 1) for its fifth season premiere. Quality programming is not easy to come by, but potentially changing the broadcast pilot season model may encourage producers and showrunners to work with broadcasters.

Consumption of content is not limited to Traditional Television

Even though usage of television (HUT) has remained constant over the last two decades, Household (HH) and A25-54 ratings for network television have declined. This implies that the consumption of content is not limited to traditional television but through alternative platforms as well. Since the ratings of the late news are shown to be lead-in dependent this trend cannot be of any help to it.

Online platforms offer consumers convenience and choice so they can view content according to their own schedule. In one viewing, consumers can either watch a single episode or watch all available episodes. This has slowly changed the viewing experience of consumers, disrupting the traditional broadcasting model of one episode a week. Moreover, online platforms have recently been adding original content to their services to further attract new subscribers and consistent with the online viewing culture, the entire season is released on the same day.

The television industry has been transforming right in front of our eyes. The penetration of new media, such as DVRs and Cable, has been responsible for this evolution. Outside of live sports, the majority of television programming is hardly 'appointment' television. This decline in 'live' viewership has not only had an impact on the networks' bottom line but stations' as well. The challenge is to reinvent the notion of 'appointment' television. Network executives must leverage online platforms and social media to compliment traditional television viewing. They can start by working with producers and showrunners to create buzzworthy and interactive programs, encouraging consumers to live watch, enabling viewers to discuss it in real-time on social media. This should improve the 'live' viewership of prime programming and consequently have a flow-on effect into the late news on local affiliates. New media is still in its infancy and it's important that networks bring the two together.

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Appendix A: Nielsen TV Ratings

Table A1

Combined Nielsen TV Ratings for the ABC, CBS and NBC affiliates in the New York, Los Angeles, Chicago and Philadelphia markets 1993-2010.

		1993				1994				1995			
		Feb-93	May-93	Jul-93	Nov-93	Feb-94	May-94	Jul-94	Nov-94	Feb-95	May-95	Jul-95	Nov-95
HUT Ratings	10p-11p HUT	66	64	58	64	68	65	59	66	67	65	60	66
	11p-1130p HUT	57	55	53	56	59	57	55	57	59	58	55	59
	8p-11p HUT	68	63	56	65	69	64	57	66	68	64	58	67
	6a-1a HUT	41	37	36	40	43	38	37	41	42	39	37	41
HH Ratings	10p-11p HH	43.5	39.2	30.1	40.3	47.4	38.9	29.5	40.5	41.4	39.7	29.5	39.9
	11p-1130p HH	37.8	35.1	30.4	36.1	41.3	35.3	31.3	35.7	35.9	34.8	29.2	33.6
	Retention Rate (%)	86.9	89.5	101.0	89.6	87.1	90.7	106.1	88.1	86.7	87.7	99.0	84.2
	8p-11p HH	40.9	36.5	27.1	38.2	45.8	36.3	27.2	37.8	38.3	36.1	26.2	35.8
	6a-1a HH	21.4	18.8	16.5	20.9	23.0	18.9	16.5	19.9	19.7	18.4	15.4	18.9
A25-54 Ratings	10p-11p A25-54	30.3	25.9	18.6	26.7	33.0	26.0	18.6	26.5	28.3	26.6	18.6	27.1
	11p-1130p A25-54	25.4	22.4	19.0	22.9	27.7	22.2	19.9	22.6	23.5	22.3	18.4	20.9
	Retention Rate (%)	83.8	86.5	102.2	85.8	83.9	85.4	107.0	85.3	83.0	83.8	98.9	77.1
	8p-11p A25-54	27.7	23.5	16.5	24.6	31.2	23.2	16.4	24.3	25.6	25.3	16.2	23.8
	6a-1a A25-54	11.9	10.1	8.3	11.4	12.7	10.0	8.3	10.6	10.9	10.4	8.0	10.2

		1996				1997				1998			
		Feb-96	May-96	Jul-96	Nov-96	Feb-97	May-97	Jul-97	Nov-97	Feb-98	May-98	Jul-98	Nov-98
HUT Ratings	10p-11p HUT	66	67	64	67	67	68	60	66	67	67	60	65
	11p-1130p HUT	58	59	59	59	59	60	56	58	58	59	55	57
	8p-11p HUT	67	65	61	67	67	67	57	67	67	66	58	66
	6a-1a HUT	42	39	40	42	42	41	38	42	42	40	38	42
HH Ratings	10p-11p HH	38.8	39.3	36.8	38.9	38.3	38.6	26.3	36.1	37.2	35.4	23.3	32.6
	11p-1130p HH	33.0	33.8	36.6	33.1	32.1	32.5	26.7	29.9	31.1	29.5	24.3	27.7
	Retention Rate (%)	85.1	86.0	99.5	85.1	83.8	84.2	101.5	82.8	83.6	83.3	104.3	85.0
	8p-11p HH	35.4	34.7	33.6	34.5	34.6	34.3	22.9	32.5	34.1	31.6	20.5	29.6
	6a-1a HH	18.6	17.9	19.0	18.5	18.4	18.1	14.5	17.5	17.9	16.6	13.8	16.2
A25-54 Ratings	10p-11p A25-54	26.1	26.7	24.6	25.2	25.3	26.3	16.0	23.9	24.4	23.4	13.9	21.1
	11p-1130p A25-54	20.8	21.4	24.3	19.7	19.6	20.0	16.2	17.7	18.3	17.4	13.8	16.2
	Retention Rate (%)	79.7	80.1	98.8	78.2	77.5	76.0	101.3	74.1	75.0	74.4	99.3	76.8
	8p-11p A25-54	23.5	23.1	21.9	22.1	22.2	22.8	13.6	21.2	21.9	20.5	12.2	18.7
	6a-1a A25-54	10.1	9.6	10.3	9.5	9.6	9.6	7.2	9.2	9.3	8.7	6.5	8.3

		1999				2000				2001			
		Feb-99	May-99	Jul-99	Nov-99	Feb-00	May-00	Jul-00	Nov-00	Feb-01	May-01	Jul-01	Nov-01
HUT Ratings	10p-11p HUT	66	66	60	66	67	67	62	66	66	66	62	67
	11p-1130p HUT	58	59	55	57	59	58	57	58	58	58	56	59
	8p-11p HUT	66	65	58	66	67	65	60	67	67	65	60	67
	6a-1a HUT	42	40	39	42	43	40	40	44	43	40	40	44
HH Ratings	10p-11p HH	33.4	32.6	21.1	30.8	32.6	32.0	19.9	30.7	29.8	30.1	18.9	28.6
	11p-1130p HH	27.6	27.9	23.2	26.3	27.7	26.5	21.0	26.5	25.7	24.5	20.1	23.8
	Retention Rate (%)	82.6	85.6	110.0	85.4	85.0	82.8	105.5	86.3	86.2	81.4	106.3	83.2
	8p-11p HH	30.0	28.6	19.1	29.5	30.8	29.7	20.2	28.3	27.8	26.9	17.5	26.3
	6a-1a HH	16.0	15.2	13.0	15.6	15.9	14.9	12.5	15.2	14.7	13.4	11.2	14.0
A25-54 Ratings	10p-11p A25-54	21.8	20.8	11.4	19.9	21.6	20.7	12.0	19.8	19.2	19.0	10.6	17.8
	11p-1130p A25-54	16.0	16.5	13.1	15.6	16.7	15.9	12.0	15.6	15.1	14.4	10.6	13.4
	Retention Rate (%)	73.4	79.3	114.9	78.4	77.3	76.8	100.0	78.8	78.6	75.8	100.0	75.3
	8p-11p A25-54	19.2	17.9	10.3	19.3	20.2	19.2	12.4	18.3	18.0	16.8	10.0	16.5
	6a-1a A25-54	8.3	7.8	6.0	8.2	8.4	7.7	6.2	8.0	7.6	4.0	5.3	7.3

		2002				2003				2004			
		Feb-02	May-02	Jul-02	Nov-02	Feb-03	May-03	Jul-03	Nov-03	Feb-04	May-04	Jul-04	Nov-04
HUT Ratings	10p-11p HUT	69	68	62	68	68	68	63	68	68	68	64	66
	11p-1130p HUT	61	60	56	59	60	60	57	60	60	60	58	58
	8p-11p HUT	69	67	60	69	69	66	60	68	68	66	62	66
	6a-1a HUT	45	43	41	45	46	43	41	44	45	42	42	43
HH Ratings	10p-11p HH	32.7	29.6	17.4	29.1	29.4	28.0	17.8	29.7	29.6	26.7	16.1	28.0
	11p-1130p HH	29.5	24.4	19.0	24.4	25.1	23.0	18.6	24.9	25.3	23.3	18.7	23.6
	Retention Rate (%)	90.2	82.4	109.2	83.8	85.4	82.1	104.5	83.8	85.5	87.3	116.1	84.3
	8p-11p HH	30.6	26.9	16.1	26.7	27.1	24.3	15.5	26.5	26.2	23.3	14.3	25.5
	6a-1a HH	15.5	13.8	10.8	14.2	14.7	12.8	10.4	13.9	14.1	12.5	10.4	13.4
A25-54 Ratings	10p-11p A25-54	20.8	18.4	9.8	18.0	18.7	17.4	10.0	18.6	18.6	16.1	8.7	17.3
	11p-1130p A25-54	17.8	14.1	10.4	13.7	14.7	13.3	9.9	14.1	14.6	12.8	10.2	12.8
	Retention Rate (%)	85.6	76.6	106.1	76.1	78.6	76.4	99.0	75.8	78.5	79.5	117.2	74.0
	8p-11p A25-54	19.7	17.0	9.4	16.5	17.2	15.0	9.0	16.9	16.6	14.2	8.0	16.1
	6a-1a A25-54	8.2	7.1	5.1	7.1	7.6	6.3	4.9	7.2	7.3	6.1	4.7	6.7

		2005				2006				2007			
		Feb-05	May-05	Jul-05	Nov-05	Feb-06	May-06	Jul-06	Nov-06	Feb-07	May-07	Jul-07	Nov-07
HUT Ratings	10p-11p HUT	67	67	60	65	66	65	59	64	64	63	59	61
	11p-1130p HUT	59	59	56	57	59	58	54	56	56	55	53	54
	8p-11p HUT	67	65	58	65	67	64	57	64	65	63	57	61
	6a-1a HUT	44	41	40	42	42	40	39	41	42	38	38	40
HH Ratings	10p-11p HH	29.1	27.3	14.7	27.2	28.5	24.9	13.8	24.1	24.2	22.3	12.3	21.1
	11p-1130p HH	24.5	23.2	17.7	23.2	26.2	21.0	17.1	21.1	21.4	18.4	15.1	19.6
	Retention Rate (%)	84.2	85.0	120.4	85.3	91.9	84.3	123.9	87.6	88.4	82.5	122.8	92.9
	8p-11p HH	25.3	23.8	13.1	24.1	26.8	21.6	12.3	24.2	22.8	20.8	11.3	20.2
	6a-1a HH	13.3	12.1	9.4	12.4	13.3	11.1	8.8	12.3	12.0	10.3	8.0	10.7
A25-54 Ratings	10p-11p A25-54	18.2	16.4	7.6	16.5	17.2	14.9	6.8	14.2	14.5	12.8	6.3	11.6
	11p-1130p A25-54	13.5	12.5	8.8	12.5	14.7	10.8	8.2	11.2	11.1	9.2	7.3	10.3
	Retention Rate (%)	74.2	76.2	115.8	75.8	85.5	72.5	120.6	78.9	76.6	71.9	115.9	88.8
	8p-11p A25-54	15.6	14.5	6.8	14.7	15.8	12.7	6.3	14.4	14.0	11.7	6.1	11.2
	6a-1a A25-54	6.4	6.0	4.1	6.2	6.5	5.3	5.9	6.1	6.0	4.8	3.5	5.2

		2008				2009				2010		
		Feb-08	May-08	Jul-08	Nov-08	Feb-09	May-09	Jul-09	Nov-09	May-10	Jul-10	Nov-10
HUT Ratings	10p-11p HUT	63	62	58	62	62	61	57	61	60	56	60
	11p-1130p HUT	56	55	53	56	56	55	52	55	53	52	54
	8p-11p HUT	63	61	56	63	62	60	55	62	59	54	61
	6a-1a HUT	41	38	38	41	41	39	38	41	38	38	39
HH Ratings	10p-11p HH	17.1	18.7	11.5	19.7	18.4	18.2	10.8	17.7	15.8	10.1	16.8
	11p-1130p HH	19.0	18.6	15.0	19.0	18.5	17.8	13.6	16.1	16.0	13.7	16.9
	Retention Rate (%)	111.1	99.5	130.4	96.4	100.5	97.8	125.9	91.0	101.3	135.6	100.6
	8p-11p HH	15.7	16.9	10.3	19.2	17.1	17.0	9.9	17.7	14.6	9.4	16.9
	6a-1a HH	9.5	9.2	7.3	10.4	9.6	9.4	7.1	9.6	8.3	6.9	9.3
A25-54 Ratings	10p-11p A25-54	9.3	9.7	5.6	10.8	9.7	9.1	4.7	8.5	7.7	4.3	8.4
	11p-1130p A25-54	9.5	8.8	7.0	9.7	9.2	8.3	6.2	7.6	7.6	5.7	8.2
	Retention Rate (%)	102.2	90.7	125.0	89.8	94.8	91.2	131.9	89.4	98.7	132.6	97.6
	8p-11p A25-54	8.7	8.7	5.2	10.4	9.2	8.4	4.6	8.7	7.2	4.2	8.6
	6a-1a A25-54	4.3	4.0	3.1	4.9	4.3	4.1	3.0	4.2	3.6	2.7	4.1

Appendix B: Award Winners and Nominees

Table B1
Award Winners and Nominees 1994-2011.

	Golden Globe Nominations	Golden Globe Winners	Emmy Nominations	Emmy Winners	Nominations Tally	Winners Tally
1994	Law & Order, Northern Exposure, NYPD Blue & Picket Fences	NYPD Blue	Picket Fences, NYPD Blue, Northern Exposure & Law & Order	Picket Fences	8	2
1995	ER, Chicago Hope, NYPD Blue & Picket Fences	-	Chicago Hope, NYPD Blue, ER & Law & Order	NYPD Blue	8	1
1996	ER, Chicago Hope, NYPD Blue & Murder One	-	Chicago Hope, Law & Order, NYPD Blue & ER	ER	8	1
1997	ER, Chicago Hope & NYPD Blue	-	Chicago Hope, Law & Order, NYPD Blue & ER	Law & Order	7	1
1998	ER, Chicago Hope, Law & Order & NYPD Blue	-	The Practice, Law & Order, NYPD Blue & ER	The Practice	8	1
1999	ER, Law & Order & The Practice	The Practice	The Practice, Law & Order, NYPD Blue & ER	The Practice	7	2
2000	ER, Once and Again & The Practice	-	The Practice, Law & Order & ER	-	6	0
2001	ER & The Practice	-	The Practice, Law & Order & ER	-	5	0
2002	-	-	Law & Order	-	1	0
2003	-	-	-	-	0	0
2004	-	-	-	-	0	0
2005	-	-	-	-	0	0

2006	Grey's Anatomy	-	Grey's Anatomy	-	2	0
2007	Lost	-	Boston Legal	-	2	0
2008	-	-	Lost	-	1	0
2009	-	-	Boston Legal	-	1	0
2010	-	-	The Good Wife	-	1	0
2011	The Good Wife	-	The Good Wife	-	2	0